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MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 3, 1934

Vol. 14, No. 1.

FARM DATA BEING COLLECTED BY ECONOMICS BUREAU.

Employment of nearly 15,000 workers scattered throughout the States is provided for under Civil Works projects inaugurated last week by the Bureau of Agricultural Economics, Nils A. Olsen, chief of bureau has announced. The projects utilize the emergency workers in gathering information which is particularly needed for use in connection with recovery work and includes data on prices, tax delinquency, farm mortgage foreclosures, land values, cotton marketing, cotton gin operating, quality of cotton linters, and the use of cotton bagging.

Weekly data on prices farmers pay for 175 items will be gathered under supervision of State agricultural statisticians of the Crop Reporting board. The survey of tax delinquency, farm mortgage foreclosures, and land values is being conducted in cooperation with the State agricultural experiment stations. The surveys relating to cotton will provide information to show areas of growth of certain varieties in relation to total production during the last five years. Information will be gathered on the movement of cotton from field to mill through the various market channels. A special statistical analysis of exports and imports of farm products is being made in forms not heretofore available.

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NORTH CAROLINA DEPARTMENT REPORTS ON ACTIVITIES.

Activities of North Carolina Department of Agriculture during the past six months included the certification and inspection of nearly 270,000 individual packages of fruits and vegetables and 139 carloads of watermelons for farmers shipping these commodities to other sections, according to the report of Commissioner William A. Graham.

Discussing the State Warehouse System, Commissioner Graham said: "This has been one of the best seasons ever experienced by the State Warehouse System. Seven new warehouses have been licensed, bringing the total now licensed to 82. Several of the old warehouses have increased their licensed capacities, so that the total licensed capacity now is 425,000 bales. The majority of the warehouses are completely filled and are making applications daily for increased space. From present indications, the licensed capacity will be 500,000 bales before the end of the fiscal year."

FIFTY-TWO CENTS TO GROW
POTATOES IN NEW YORK.

The average cost of growing potatoes in New York in 1929 was 52 cents a bushel, according to a new Cornell bulletin which reports the results of a study of potato growing on 391 farms in four typical potato-growing regions in the State. Labor constituted 43 percent of the total growing cost. The bulletin analyzes the various costs of producing the crop; such as seed, labor, fertilizer and spraying, and harvesting. It tells which farming practices brought the highest returns. A free copy of the bulletin may be obtained from Cornell Experiment Station, Ithaca, New York.

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PRODUCE DEALER'S LICENSE
REVOKED BY SECRETARY.

Secretary Wallace, acting under authority of the Perishable Agricultural Commodities Act, has revoked the license of E. T. Edmonds, Sr., doing business as the West Virginia Brokerage Company of Huntington, West Virginia, as a commission merchant, dealer and/or broker.

Complaint was filed against Edmonds on behalf of the Department of Agriculture alleging that he had failed to account to the Independent New Jersey Cranberry Company of Philadelphia, Pa., for a car of cranberries valued at \$1,600; that he had failed to account to Ciresi-Geraci & Co., of Cincinnati, Ohio, for a shipment of lemons valued at \$161; that he had failed to account to L. Irwin & Son, of Foley, Ala., for two cars of sweet potatoes, one valued at \$273 and the other at \$224.08; that he failed to account to the J. W. Davis Co., of Davenport, Iowa, for the total value of a car of onions, and that he failed to account to the California Fruit Growers Exchange of Cincinnati, Ohio, for three cars of oranges valued at \$937.50. Edmonds was found by the Secretary to be guilty of all of the violations charged, and also of violations in three other complaints.

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MINNESOTA FINDS PART-TIME
FARMING IS INCREASING.

Interest in part-time farming, as a means of providing a home, a part of the food supply and certain other advantages to persons employed in industry, has been increasing in recent years, says Minnesota Extension Division, which has recently studied, in cooperation with the Bureau of Agricultural Economics, 37 part-time farms around Duluth, whose owners live on small tracts of land and work for wages in the city.

Most of the farms are one-, two- and five-acre tracts. The average cash income for the families was found to be \$664 a year, of which \$445 was earned as wages; the remainder was derived from products sold from the farms or from miscellaneous sources. These families also had farm products for home use valued at \$254 per farm, and had the use of a house worth about \$15 a month. Farm expenses averaged \$212 per farm for the group.

NEW JERSEY FARM INCOME
EXPECTED TO SHOW INCREASE.

The year 1933 in New Jersey agriculture is expected to show an increase over the gross cash income of \$61,000,000 for 1932, says Prof. A. G. Waller, New Jersey Experiment Station. The figures are now being tabulated.

Dairymen and white potato growers had their incomes increased during the year, but poultrymen, fruit growers, and vegetable growers experienced decreases in income, it is stated. White potato growers received an average price of \$1.40 a bushel in August, and \$1.20 a bushel in September, whereas the average price for the entire 1932 season was 48 cents a bushel. The September price of milk this year was \$2.53 per 100 pounds as compared with \$1.44 in September, 1932.

The economic position of poultrymen was impaired in 1933 by mounting feed costs and unusually low prices received for eggs and poultry meat, says Prof. Waller.

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NEW YORK REPORTS
FARM LABOR RETURNS.

Raising baby chicks brought a higher cash return for each hour of labor than any other farm enterprise in New York during 1932, according to a new bulletin issued by New York College of Agriculture, giving results of cost accounts on New York farms. The chick enterprise had a return of 46 cents for each hour of labor. Other profitable enterprises for 1932, and the returns for each hour spent on them, were: canning-factory tomatoes, 35 cents; peaches and pears, each 27 cents; hens, 17 cents; and apples, 12 cents. Products which resulted in the greatest losses for each hour of labor included: sheep, loss of \$1.04; canning-factory peas, 74 cents; oats and barley, 51 cents; and alfalfa, 35 cents. The reports represent the earnings and losses of New York farmers who keep cost accounts.

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NORTH DAKOTA INCREASES
TURKEY GRADING.

A marked increase in the number of turkeys in North Dakota marketed on the basis of Federal grades was registered during the recent Thanksgiving marketing period, says North Dakota Extension Service. Reports on shipments show 22 carloads of Federally graded turkeys sold last fall in contrast with 11 cars marketed during the same period in 1932. Prime turkeys last fall comprised 51.4 percent of the shipments, whereas in 1932 only 43.5 percent graded "Prime". Percentage of birds grading "Commercial" was reduced from 11.9 percent to 6.7 percent.

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TO HOLD HEARING ON CODE
FOR FRESH PRODUCE.

A proposed code of fair competition for the wholesale fresh fruit and vegetable distributing industry will be considered in pub-

lic hearing January 8, Secretary Wallace has announced. The code is proposed by the National Fresh Fruit and Vegetable Council, representing the American Fruit and Vegetable Shippers Association, the Western Fruit Jobbers Association, of America, the International Apple Association, and the National League of Commission Merchants of the United States.

Among those who would be affected by the code are approximately 15,000 wholesale dealers in fruits and vegetables who are licensed under the Perishable Agricultural Commodities Act. It is also claimed that approximately 5,000 additional firms are engaged in this business without license and would be affected by the code. The unlicensed operators are principally those engaged in distributing fruits and vegetables by motor truck without a fixed place of business.

Besides prohibiting "destructive price cutting", the code prescribes a number of rules of fair competition intended to eliminate undesirable practices. One of these provisions declares that "no person shall accept compensation from both buyer and seller nor represent buyer and seller in the same transaction without the knowledge and consent of both buyer and seller."

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IOWA EXTENSION SERVICE reports that the average price of Iowa's oat crop was less than 27 cents a bushel, with a gross return of \$9.45 per acre, during the period 1928-32, and that during the same years flax sold for an average of \$1.66 and gave an average return of \$14.34 an acre.

THE MODERN TREND in commercial apple growing is to concentrate on a few varieties which have a good market demand, says Prof. L. H. MacDaniels of New York College of Agriculture. Five of the best varieties for commercial planting in western New York, he says, are Baldwin, McIntosh, Northern Spy, Rhode Island Greening, and Wealthy.

KENTUCKY EXPERIMENT STATION recently issued Bulletin 343, entitled "The Use of Credit on Selected Kentucky Farms."

MIMEOGRAPHED REPORTS recently issued by the Bureau of Agricultural Economics include "The Operation and results of the Hog Production Control Plan in Denmark", and "Statistics Relating to the Citrus Industry - 1933."

THE OHIO LEGISLATURE passed a farm warehouse law on December 21, to make it possible for farmers to secure loans at 4 percent interest on corn stored on farms.

FEED, DEPRECIATION, AND LABOR are the three big items of cost in producing eggs, according to records of Illinois poultrymen.

INFLATION, TAXATION, and all the other leading issues of the times will be covered in eight general sessions which will climax the program of the thirty-sixth annual Farm and Home Week, January 15 to 19, at Illinois College of Agriculture, Urbana, Illinois.

A HANDEBOOK of poultry and egg statistics has been issued by the Bureau of Agricultural Economics.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK



A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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HEARINGS TO BE HELD ON GRAIN STANDARDS.

A series of twelve public hearings for the consideration of proposed revisions of the Federal standards for wheat, rye, oats, feed oats mixed feed oats, barley, corn, and grain sorghums, and of newly formulated standards for mixed grain, has been scheduled through January and February, according to an announcement by Nils A. Olsen, chief Bureau of Agricultural Economics. The places and dates are: Louisville, Jan. 22; St. Louis and Seattle, Jan. 23; Chicago, Jan. 26; Portland, Oregon, Jan. 26; Los Angeles, Jan. 31; Minneapolis, Feb. 2; San Francisco, Feb. 2; Ames, Iowa, Feb. 6; Kansas City, Feb. 9; Buffalo, Feb. 19, and New York City, Feb. 20.

The proposed changes are the result of years of study by grain specialists of the bureau of the possibilities for improving the various standards for grain that have been promulgated at various times since 1916 under the provisions of the Grain Standards Act. They include numerous revisions suggested by producers, grain dealers, handlers, millers, grain inspection departments, and State agricultural colleges. The proposed changes in the grain standards are in effect a modernization of the standards to conform with changes that have occurred in the last fifteen years in grain merchandising, handling, milling or other processing methods, and in baking practices. The inspection practicability of the proposed standards has been studied by the bureau through two years of experimental application in the field offices of Federal Grain Supervision.

The proposed changes, together with explanations of the objectives sought, have been published by the bureau in Department Miscellaneous Publication 173 entitled "Proposed Revised Federal Grain Standards."

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RETAIL PACKAGING OF PRODUCE IS GAINING.

Use of small, attractive packages to sell vegetables of high quality has been gaining rapidly, says Paul Work of New York College of Agriculture. The packages, he says, keep vegetables clean, protect them from damage, and are convenient for dealer and customer. Thirty years ago the ordinary grocery clerk had to weigh out flour and sugar, crackers and sauerkraut, pickled cucumbers, and pickled herring. Today, almost everything comes in containers, and the same change, says Work, is taking place in vegetable handling. One of the simplest containers is a wrap of parchment paper as used for celery and asparagus. Another

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is a paper carton for two stalks of celery, and still another is the ten-pound bag for potatoes and onions. Professor Work sees this system as decidedly a benefit, since food is not exposed to dust and dirt, it is not mauled over counters, nor is it bruised or damaged in handling.

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PRESIDENT APPROVES

CODE FOR CHICK HATCHERIES.

A code of fair competition for the chick hatchery industry, covering employment conditions and trade practices and containing provisions for administration of the code through a body set up largely from within the industry, has been approved by President Roosevelt, effective January 1. The code was proposed by the International Baby Chick Association, and the National Poultry Control. The administrative body prescribed in the code and designated as the National Commercial Breeder and Hatchery Coordinating committee, will include 21 members selected by the industry on a regional basis. The Secretary of Agriculture and the Administrator of the National Recovery Act each have authority to select a non-voting member of the committee.

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PENNSYLVANIA COOPERATIVES

ORGANIZE COUNCIL.

A permanent association of the agricultural cooperative organizations operating in Pennsylvania was formerly organized at a meeting of cooperatives held at Pennsylvania State College on December 7 and 8. The purposes of this new association, which is called the Pennsylvania Association of Cooperative Organizations, as stated in its constitution and by-laws, are: To promote the welfare of cooperative agricultural associations operating in Pennsylvania, by bringing them together in this Association for the study, discussion and solution of mutual problems; to sponsor and support constructive legislation which will be valuable to cooperative agricultural associations and to Pennsylvania agriculture; to aid in establishing cooperative service agencies for the use of its members, and to advise and assist public and private agencies which are working for a better agriculture. Essentially, the association of cooperative organizations will be an educational, protective and service agency.

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NEW JERSEY TO STUDY

HONEY MARKETING METHODS.

Honey marketing methods suitable for use by New Jersey beekeepers will be discussed at the annual convention of the New Jersey Beekeepers' Association in Trenton, New Jersey, January 25 and 26. It is stated that "at present, the distant producer is unable to get a fair return for his honey and, as a result, out-of-state honey is tending to depress the market for the New Jersey product. The Beekeepers' Association will bring before its members the most up-to-date ideas on the packaging of

honey and will point out the new and varied uses to which this natural sweet may be put."

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OHIO EXPLAINS GRADE
MARKING REGULATIONS

Because of confusion and misunderstanding of instructions covering the grade markings of fruits and vegetables shipped from California for sale in Ohio, the following explanation has been made by E. A. Fleming, Ohio Division of Markets.

"All containers of fruits, vegetables and honey are required to be marked with the name and address of the grower, shipper or packer; if not in a standard container, the contents must be marked as to weight or count, and a grade statement must be included. The State of Ohio is recognizing the Federal standard grades long established as the basis for commercial trading, requiring that each container be marked as to grade. If the products are not packed to a Federal grade, the law provides that they be marked 'Ungraded', 'Unclassified', or 'Grower's Grade'. Provision is made that it shall be unlawful to sell a package in which the face or exposed surface gives a false representation of the pack."

Mr. Fleming says that if California growers, packers, and shippers desire to avail themselves of the use of labels registered in Washington, D. C., guaranteeing specific U. S. grades, in lieu of the grade marking requirement of the State of Ohio when marketing in that State, it will be necessary that they submit to Ohio Division of Markets the names of their brands and the grades they represent, together with proof of registration.

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CALIFORNIA WEIGHMASTERS
HAVE LICENSES SUSPENDED.

Fraud perpetrated by three public weighmasters in or near Fresno has resulted in the suspension of their licenses, two for 90 days each, and one for 30 days, following an investigation made by California Division of Weights and Measures. In each case the weighmaster admitted his fault and blamed his failure to weigh trucks for tare, that is, for the actual weight of the vehicles less the load, on "carelessness". The State department refused to accept this excuse and suspended the licenses.

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MINNESOTA MARKETS MORE
PRODUCTS DURING DEPRESSION.

That Minnesota actually raises and markets more bushels and pounds of farm products than it did before the depression is shown by a series of indexes prepared by Dr. W. C. Waite, Minnesota Extension Division. From figures on the quantity of the sixteen most important Minnesota farm products sold, Dr. Waite has prepared an index for each year from 1924 to 1933. This index dropped from 102 in 1924 to 94 in 1927, gradually rose to 97 in 1930, to 104 in 1931, and to 106 in 1932; the index was 103 for 1933.

ORANGES have not proved as profitable as grapefruit in the Lower Rio Grand Valley and this has been reflected in the acreage planted to these two citrus fruits, says Texas Experiment Station. It is stated that many growers believe that the saturation point will soon be reached in grapefruit production and that the market outlook is brighter in the case of oranges.

REDUCTION OF COTTON and tobacco acreage affords a ready-made opportunity for making a large-scale demonstration of lespedeza as a valuable crop in the Cotton Belt and in the southern part of the Corn Belt, says Dr. A. J. Pieters, U. S. Department of Agriculture.

LOANS on farm warehoused corn under the Government offer of 45 cents per bushel now are being made in Iowa, Illinois, Nebraska, South Dakota, Colorado, and Minnesota, according to William S. Bradley, Corn Loan Division, Commodity Credit Corporation.

FOODS are being packed in no less than 27 different sizes of cans, says Miss May E. Foley, Massachusetts State College, cautioning housewives regarding purchases of canned foods. As a general rule, she says, canned food will cost less per pound if it is bought in large cans than if bought in small cans, such as the No. 1 or the Buffet size, which holds only 8 ounces. Housewives are advised to buy on the basis of weight, rather than on the price per can.

"USE OF COTTON BAGS and Other Containers in Flour Mills - 1932" is the title of a mimeographed report recently released by the Bureau of Agricultural Economics.

PRESIDENT ROOSEVELT HAS APPROVED A CODE OF FAIR COMPETITION FOR the domestic wine industry. The code was evolved after conferences and hearings at which the industry itself, and the President's special committee on the control of alcohol and alcoholic beverages, were represented.

IOWA EXTENSION SERVICE has issued Bulletin 310 entitled "The Economic Situation in 1933," and Bulletin 311 entitled "Refinancing Farm Mortgages in Iowa."

WHEAT ADJUSTMENT PAYMENT CHECKS totalling \$21,386,607 for 287,970 farmers were written up to January 6, the AAA has announced.

MORE POTATOES were certified in Pennsylvania for seed purposes in 1933 than in any other season since the work started thirteen years ago, says Pennsylvania Department of Agriculture.

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WOOL CLIP TO BE MARKETEDACCORDING TO CONSUMPTION DEMAND.

The Farm Credit Administration will continue with the 1934 wool and mohair clip a plan similar to that followed for the 1933 clip to promote the orderly marketing of these commodities, Governor Wm. I. Myers has announced. Under this plan the wool trade, growers' producing and marketing associations, and the FCA will cooperate to market the 1934 clip in an orderly manner in response to consumption demand. There will be neither forced sales nor withholding of wool and mohair from the market.

Borrowers whose paper is discounted with the Federal intermediate credit banks, and whose loans are obtained through cooperative and private credit associations or corporations, or who have borrowed from regional agricultural credit corporations, consign their wool to approved consignees who agree to market the wool and mohair at the same rate as they market other wool or mohair they handle.

It is stated that following institution of the plan for the handling of the 1933 clip, prices of grease wool advanced sharply and wool continued to rise throughout the greater part of the season. With wool at present values a rise of no such proportions this year is anticipated, but it is stated that "the plan should assure the industry a much firmer price foundation than might otherwise exist. It is not an effort to control prices but one to try to prevent unnecessary fluctuations."

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SOUTHERN AGRICULTURAL COMMISSIONERSTO MEET IN WASHINGTON ON TAX.

G. C. Adams, Georgia Commissioner of Agriculture, reports that a meeting is to be held at Washington soon by the Southern Commissioners of Agriculture, and others interested in the reduction of cotton acreage, for the purpose of devising some workable plan by which a processing tax will be put on cotton at the gins. It is stated that the Government would provide those who have participated in its reduction campaign a certificate exempting them from this tax, whereas those who have not cooperated would be required to pay the tax. A processing tax penalty at the gins of 2¢ or 3¢ a pound on cotton is being considered by southern cotton interests.

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UNITED STATES STANDARDS for Fresh Peas, effective February 1, have been issued by the Bureau of Agricultural Economics.

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PENNSYLVANIA INSTALLS
TURKEY GRADING SERVICE.

Pennsylvania Bureau of Markets inaugurated a turkey grading service in that State last December in response to requests from growers. Two grades have been officially adopted, - "Pennsylvania Native Fancy Grade", and "No. 1 grade". The Pennsylvania Native Fancy Grade carries a blue tag on which is printed the William Penn trade mark. No turkey grown outside the State can qualify under either grade.

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CALIFORNIA FRUIT ACREAGE
TO BE REDUCED.

Fruit acreage in California has ceased to expand and is headed downward with a decrease in trend of production in prospect for clingstone and freestone peaches, plums, olives, raisins, and table grapes, say agricultural economists of the University of California. No further increase in production is anticipated for apricots, prunes and almonds, and only in the case of cherries, pears, walnuts, wine grapes, and citrus fruit is a further upward trend in production in prospect.

It is stated that numbers of beef cattle are likely to increase during the next few years, and that the potential producing capacity of dairy herds will likely remain high for another year and probably for at least two years unless measures are taken to help farmers dispose of surplus cows.

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NORTH CAROLINA STUDYING
COTTON MARKETING PROBLEMS.

Reporting on cotton marketing projects, North Carolina Experiment Station says in its fifty-fifth annual report, just released: "The cotton marketing project undertakes to make a comprehensive analysis of the cotton marketing conditions in North Carolina. The project is designed to make an estimate of the grade and staple of cotton produced in North Carolina; determine whether cotton is sold on a basis of its grade and staple value on the local markets and whether the prices paid in the central markets are reflected in the local markets; determine how well the type of production in North Carolina is meeting market demands; study local buying methods and practices of gins, time merchants, traveling buyers, mills, etc.; determine the movement of cotton through marketing channels and its cost, and appraise the economic effect of cotton improvement efforts.

A bulletin entitled "The Home Market for North Carolina Cotton" will be published soon, and it is stated that a bulletin entitled "North Carolina Farm Prices of Cotton in Relation to Grade and Staple Length and Other Factors" is nearing completion. The latter study indicates that farm prices in North Carolina do not reflect premiums and discounts for staple length and grade which obtain in the central markets. A study of the relation of cotton quality improvement in North Carolina to mill requirements has revealed a tendency to decrease the use of extremely long and extremely short staple lengths and to increase the use of medium staple lengths.

BUTTER HOLDINGS CUT
TO NEAR FIVE-YEAR AVERAGE.

With the completion soon of Government butter purchases by the Secretary of Agriculture and the Director of the Federal Emergency Relief Administration, the net commercial storage holdings of butter left in the channels of trade will approximate the five-year average, the AAA has announced

Total net storage holdings of creamery butter as announced on January 12 by the Bureau of Agricultural Economics for January 1, 1934 were 111,210,000 pounds of which 39,932,000 pounds belonged to the United States Government. In addition, the Federal Surplus Relief Corporation had outstanding on January 1 proposals for bids on 18,011,000 pounds of butter to be bought shortly and added to the rest of the Government purchases. The revised five-year average of butter storages as of January 1 from 1929 to 1933, inclusive, is 47,561,000 pounds

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ICWA REPORTS INCREASE
IN POULTRY INCOME.

Iowa poultry farmers fared better in 1933 than in 1932, says Iowa Extension Service, whose annual calendar flock report shows that the average income of flock owners who kept records in cooperation with the Service was 72 cents per hen, whereas in 1932 it was only 60 cents.

This income figure is the amount left after all expenses, including interest, are paid. The labor income - though much higher than last year - was considerably lower than in 1931, when it was 90 cents. Lower expenses per hen are reported to have been a big factor in the increased income last year

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WOULD CUT RICE CROP
BY TWENTY PERCENT.

A reduction of 20 percent in the past five-year average acreage of 775,000 acres of rice in Louisiana, Arkansas, and Texas, is necessary if the rice farmers of those States hope to protect the \$27,000,000 which is the value of their rice crop, says A.J.S. Weaver, chief of the rice section of the AAA. Plans for the rice production control program in these States have been discussed with growers and buyers in the field, and will soon be submitted for final approval

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REVIVAL OF EASTERN
AGRICULTURE IS SEEN.

'A revival of agriculture' in New Jersey and other eastern States is foreseen by Dr. J.G. Lipman, New Jersey College of Agriculture. Addressing a weekly forum of the Rutgers University Institute of Rural Economics, he said that "the future will find more young men remaining on the farms and more people moving out from the cities to the country." He predicted that part-time farming in New Jersey and other eastern States would increase to put more people on the land and to make an increased use of land.

CROP REPORTING DATES FOR 1934

Twenty-one reports will be issued this year by the United States Crop Reporting Board. Reports concerning cotton will be issued on May 22, July 9, August 8, September 8, October 8, November 8, and December 8. Reports concerning general crops other than cotton will be issued on January 10 (already out), March 15, April 10, May 10, June 11, July 10, August 10, September 10, October 10, November 9, December 18, and December 20. Reports concerning interior mill and elevator stocks of wheat will be issued on April 25 and July 25.

Acreage of crops for harvest in 1934 indicated by reported intentions will be carried in the March 15 report.

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PROPOSED REVISIONS OF Federal standards for soft red winter wheat, corn, oats, and other grains will be discussed at a public hearing to be held by the Bureau of Agricultural Economics at the Indianapolis Board of Trade on January 26.

BULLETINS recently issued by the U.S. Department of Agriculture are: "Distribution of the Varieties and Classes of Wheat in the United States in 1929", "Market Classes and Grades of Pork Carcasses and Fresh Pork Cuts", "The Farm Real Estate Situation, 1932-33"; "Artificial Drying of Rice on the Farm."

NORTH DAKOTA Experiment Station has issued Circular 48 entitled "Beef Slaughtering, Cutting and Curing - Part 2 - Meat on the Farm."

"GRADE AND STAPLE LENGTH of American Upland Cotton Consumed in the United States, 1930-31 and 1931-32" has been issued in a mimeographed report by the Bureau of Agricultural Economics.

WHY DOES FOREIGN WOOL bring better prices than domestic? Warner M. Buck of the Bureau of Agricultural Economics answers this question in a multigraphed report recently issued.

NORTH DAKOTA Experiment Station says that farmers in that State are finding it profitable to remove the dockage in their wheat and flax before sending the grain to market. By so doing, it is stated, farmers retain the dockage which has considerable value as livestock and poultry feed, and avoid paying freight charges on the dockage.

NEW MEXICO Extension Service has issued Extension Circular 127 entitled "New Mexico Agricultural Outlook - 1934."

STATE AND FEDERAL

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INDIANA AGRICULTURAL DEPARTMENTS ARE RE-ORGANIZED.

The 1933 Indiana Legislature reorganized the entire State Government, placing the 168 divisions, boards and commissions into 8 departments, one of which was entitled the Department of Commerce and Industry. The Governor was empowered to designate the departments into which each board, commission, etc., was to be allocated. A later act created a Division of Agriculture, specifically placing it in the Department of Commerce and Industry and making the executive officer of that Department, the State Commissioner of Agriculture. Since the reorganization bill made the Lieutenant-Governor the executive officer of the Department of Commerce and Industry, Lieutenant-Governor M. Clifford Townsend became the Commissioner of Agriculture. A later act placed the State Fair in the Division of Agriculture and the Governor appointed Mr. Townsend, as Commissioner of Agriculture, Secretary-Treasurer of the Fair Board.

Commissioner Townsend reports that the act creating the Division of Agriculture specified no duties whatsoever for that Division so "my only legal duties as Commissioner of Agriculture consist of managing the State Fair. However, the Governor recently appointed me Chairman of the State Mortgage Conciliation Committee under the Federal Farm Credit Administration, as well as making me the executive officer in the Corn Loan Administration.

"We are anticipating, at our next session of the Legislature," Commissioner Townsend says, "to put all agricultural enforcement acts under the Division of Agriculture. They are now scattered through various divisions. It has also been suggested recently that we set up some marketing work for this division."

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AMERICAN WHEAT MARKETS LEADERS, SAYS CALIFORNIA.

Contrary to general opinion, Chicago and Winnipeg, not Liverpool, are the leaders of the major futures markets of the world, an investigation made by Dr. R. D. Calkins, associate professor of economics in the University of California, indicates," says the University. The study has been published as one of a series of wheat monographs.

Professor Calkins found that Chicago and Winnipeg "originate" approximately two-thirds of all price movements, and Liverpool only about one-third. Thus, he says Chicago and Winnipeg are definitely the more

active in directing the general course of prices. "Chicago and Winnipeg," he concludes, "tend to be more active and influential price leaders in summer than winter months. Liverpool tends to be a somewhat more active and influential leader in winter months. In general, Liverpool is a less volatile and less sensitive market than Chicago or Winnipeg. Its price movements usually correspond more closely with those of Winnipeg than with those of Chicago."

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CORNELL FINDS PRICE
LEVEL KEY TO PROFITS.

Changes in the general price level as well as the time when these changes may occur will influence farm profits most in 1934, according to a new Cornell bulletin on the agricultural outlook for this year. The bulletin points out that when the general price level increases or decreases greatly, prices of different classes of goods do not all change to correspond. When the price level goes up or down, it explains, most costs change more slowly than prices of farm products. Farming profits increase rapidly when the price level rises and drop rapidly when it falls.

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FLORIDA INSPECTION
WORK IS DESCRIBED.

Wells A Sherman of the Bureau of Agricultural Economics, recently returned to Washington from a survey of Florida market news and inspection work, says:

"Our inspection operation at the Jacksonville piers of the Clyde Mallory Lines and the Refrigerated Steamship Lines (United Fruit) is continuous, the 29 inspectors working in twelve hour shifts. Most of the deliveries at these piers are in trucks or from St. Johns River boats. All fruit is shot into the vessel from lighters on the water side while miscellaneous freight is being loaded from the pier. Inspectors must sample every truckload as well as every separate lot coming by river boat. The work is so systematized that the manager of the pier states that 'our operation goes on just as though they were not here. We would not know they were at work if we did not see them.

"In the Orlando office both inspection and market news forces returned after supper every night regularly.***The inspection force in Florida comprises almost 200 men. About one-half are natives and one-half experienced inspectors from other States. There are about 2,000 applicants from which to select any replacements which may be necessary. I was able to meet personally perhaps somewhat more than one-half of this force and received a most favorable impression as to their intelligence, industry, and reliability."

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OHIO STUDIES SHORT
TERM FARM CREDITS.

Short-term credit is used by four-fifths of the farmers in many parts of Ohio, it is indicated in a report of credit usage prepared by

J. H. Sitterley of the Department of Rural Economics, Ohio State University. Interviews with farmers in Delaware, Knox, Geauga, Van Wert and Darke Counties disclosed that 18 percent of 131 farmers had not incurred short-term obligations during the first eight months of last year. Eighty-two percent had. September 1, the average debt outstanding in short-term obligations was \$577 per farm.

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PROGRESS REPORT

FROM THE A.A.A.

Campaign work preliminary to the actual signing of corn-hog contracts was well advanced over most of the middlewestern corn and hog growing area last week, according to Dr. A.G. Black, of the AAA. Adjustment payments written to January 21, to farmers cooperating with the AAA in the wheat acreage reduction program totalled \$30,994,785. to 399,762 farmers in 35 States. Net reduction of winter wheat plantings for 1934, in the 11 principal producing States, was 77 percent of the gross reduction that was expected as a result of the wheat campaign. Secretary Wallace has issued notice of termination of all existing milkshed marketing agreements to become effective as of February 1. A hearing on the proposed code of fair competition for the feed manufacturing industry was concluded at Washington on January 19, after amendments were submitted seeking to prohibit consignment selling, false and misleading advertising, destructive price-cutting, and the offering of premiums. Secretary Wallace issued on January 16 a license for all handlers of Connecticut Valley shade-grown tobacco, U. S. type 61 (a), produced in Connecticut, Massachusetts, Vermont, and New Hampshire. The AAA announced on January 22 that Burley tobacco growers who agree to reduce acreage next year will receive increased adjustment payments if the average price for the current season is below 12 cents.

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J. A. EVANS, PIONEER

EXTENSION WORKER, RETIRES.

J. A. Evans, associate chief of the Office of Cooperative Extension Work and in charge of extension work in the Southern States, U.S. Department of Agriculture, retired December 31 last. Dr. C.W. Warburton, Director of Extension Work, said: "We very much regret to lose the services of Mr. Evans, particularly at this time, when we are engaged in cotton and tobacco production control programs and other activities of much importance in the South. He was a pioneer in extension work and has had much to do in molding extension policies and plans." Mr. Evans had been connected with agricultural extension work continuously since its beginning. Recently, he had been actively associated with the cotton production control program and other phases of the work of the AAA affecting southern farming.

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RECEIPTS OF CALVES in the New Orleans stockyards took a big drop in 1933 as compared with 1932. Whereas in 1932 the receipts totaled 90,684 head, the receipts last year totaled only 78,218 head. The biggest drop in receipts came from Texas and Louisiana. Restricted markets and disturbed financial conditions during the first half of the past year are given as the cause of reduced receipts.

NEW BOOKLET DISCUSSES
BASIS OF ADJUSTMENT ACT.

Secretary Wallace has emphasized in public address the need for a more general understanding of broad agricultural policies. To provide material for thinking and consideration along this line is one of the principal purposes of a new booklet on the Economic Bases for the Agricultural Adjustment Act, prepared by Mordecai Ezekial and Louis H. Bean of the AAA. The pamphlet presents informative statistics on the situation as it existed in the years after the World War, and particularly at the time of the emergency that led to the enactment of Adjustment legislation. The authors include charts and graphs to make clearer the situation that existed, and they analyze the facts which seemed to indicate the need for the kind of law that was passed, and the reasons for the various features of the Act. One section explains the selection of the years 1909-14 as a suitable period for determining fair parity of agricultural prices.

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CALIFORNIA RECOVERS
MONEY FOR GROWERS.

Official records of California Department of Agriculture, compiled to reflect the results accomplished during the past year, show that money recoveries to California growers about doubled those of 1932. The enforcement division, which administers the produce dealers' act, now extensively amended and placed in California's new agricultural code, received reports and complaints from growers who had not been paid for fruits, livestock, vegetables, poultry, honey or flowers, consigned or sold to wholesale operators. Division officers investigated these complaints, and insisted that the growers be paid fully and promptly, and without cost or expense. The official totals show a money recovery amounting to \$129,831.85 against \$67,152.90 in 1932. Ten convictions of law violators were secured in 1932, whereas 1933 figures show 29 convictions. It is stated that as a result of an amendment to the law so as to bring under regulation not only all consignment handlers or commission merchants, but all wholesale buyers, handlers, brokers and their agents, 1,500 wholesale handlers are now under regulation and licenses.

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THE GENERAL LEVEL OF FARM WAGE RATES stood at 81 percent of the pre-war level on January 1, which was 5 points lower than three months earlier, 7 points higher than a year ago, and 8 points above the low point in April 1933. The 6 percent decline in wage rates from October 1 to January 1 amounted only to about two-thirds of the usual seasonal decline at that time of year.

PRODUCTION CREDIT ASSOCIATIONS to make short-term loans to farmers have been organized in localities covering more than half the entire country, the Farm Credit Administration has announced. Altogether, 460 of these associations have been incorporated and chartered to make loans in as many agricultural localities.

MARKETING ACTIVITIES

FEB 9 1934

U. S. Department of Agriculture

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 31, 1934

Vol. 14, No. 5

PROPOSED LEGISLATION AFFECTSMANY PHASES OF AGRICULTURE.

Proposed legislation introduced to date into the Seventy-third Congress, Second Session, includes bills to make cattle a basic agricultural commodity in the Agricultural Adjustment Act, to prohibit the importation of certain eggs, certain meats, and butter, oleomargarine, butter substitutes, cocoanut oil and cotton seed oil into the United States, to amend the Perishable Agricultural Commodities Act, to amend the Grain Futures Act, to amend the Packers & Stockyards Act, and to prohibit the exportation of tobacco seed and plants, except for experimental purposes.

Two new bills on food and drugs have been introduced, and the Copeland bill on this subject has been revised. Legislation proposed to add to the list of basic agricultural commodities in the Agricultural Adjustment Act would include cattle, sugar beets, sugar cane, barley sorghums, and peanuts as basic commodities. A House bill provides for the use in motor fuels of alcohol manufactured from agricultural products grown in the United States. A joint resolution by both houses would authorize the Secretary of Agriculture to investigate future trading.

Senate Bill 1974, introduced by Senator Bankhead, proposes "to place the cotton industry on a sound commercial basis, and to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce." It provides for the licensing of cotton ginner engaged in ginning cotton for transportation in interstate or foreign commerce. The Secretary of Agriculture would be authorized to "apportion to the several cotton-producing States the number of standard bales of five hundred pounds weight that may be ginned in each State, which shall be determined by the ratio of the average number of bales produced in each State during the ten crop years preceding the passage of this Act, to the average number of bales produced in all the States during the same period." Hearings have been held on this bill by the Senate Agricultural Committee, and Secretary Wallace has expressed himself as favorable to the bill, to some extent.

Senator Capper has introduced a truth-in-fabric bill into the Senate. House Bill 6670, introduced by Congressman Jones, provides for the establishment of a corporation to aid in the refinancing of farm debts. Activities under the bill fall to the Farm Credit Administration. The bill has passed the House and Senate and was approved by the Presi-

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dent on Jan. 31. House Bill 6165, introduced by Congressman Swank, is intended "to secure to the farmers a price for agricultural products of not less than the cost of production thereof, including a reasonable profit." This bill contemplates that the Secretary of Agriculture make public the quantity of farm products available for domestic consumption and that the remainder be exported or otherwise handled by the Secretary of Agriculture. The bill authorizes the Secretary "to license the purchase, importation, or storage of any agricultural commodity."

(The Information Division of the Bureau of Agricultural Economics will be glad to fill requests for further details regarding the foregoing bills, and as to any other agricultural legislation which may be introduced into the Seventy-third Congress. The Division asks in exchange that readers of "Marketing Activities" keep it informed of agricultural bills introduced currently into the State Legislatures, since the Division receives requests for such information.)

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VIRGINIA OUTLOOK IS MORE ENCOURAGING.

The outlook for crop farmers in Virginia in 1934 is distinctly more encouraging than it was in 1933, says John R. Hutcheson, Director, Virginia Extension Division.

"Virginia farmers," he says, "are now receiving prices for wheat, cotton, flue tobacco and peanuts which are from 50 to 100 percent higher than they received for these commodities a year ago. These better prices are largely due to production control programs and marketing agreements worked out with the aid of the Agricultural Adjustment Administration.***The most important step for farmers and other business men to take in working out cropping plans for 1934 is to see that the crop production control agreements are honestly and intelligently put into effect.

"The outlook for livestock producers is not so bright. The successful carrying out of the corn-hog program should mean better prices for hogs, but there is little hope that prices for beef cattle, sheep, poultry and dairy products will rise rapidly. The supply of such products is still large and the demand low.***Livestock producers should cull their flocks and herds rigidly and do everything possible to lower production costs."

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SEES END OF NEW YORK POULTRY "RACKETS".

Connecticut poultrymen are to receive a new deal and a square deal on the New York City live poultry market, declared Commissioner King of Connecticut following the third annual meeting of the Northeastern Poultry Producers' Council recently held in New York. Commissioner King was appointed chairman of a committee to wait upon Mayor La Guardia of New York and present evidence to show that racketeers and racketeering practices in New York City are costing Northeastern poultrymen a small

fortune every year. The Commissioner said: "I am firmly convinced that Mayor La Guardia is sincere in his efforts to clean up racketeering in New York City. However, he made it perfectly clear that the thing he wanted most of all was concrete evidence which would make convictions possible. I hope every poultryman in Connecticut and the remainder of the thirteen northeastern States will come forward with these facts so that in the very near future it will be possible for Connecticut poultrymen to sell their product in New York City without interference from the racketeers who have been strangling legitimate business."

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TENNESSEE CAPTURES

NEW ORLEANS HOG MARKET.

"Louisiana farmers have surrendered the New Orleans hog market to the farmers of Tennessee," says B. B. Jones, Louisiana Extension Service. "For the past three years the number of hogs received on the New Orleans stockyards from Louisiana has steadily declined, whereas receipts from Tennessee have steadily increased."

Mr. Jones is telling Louisiana farmers that "when such States as Tennessee, Kentucky, Oklahoma, Missouri and Kansas can find it profitable to ship hogs to the New Orleans market there surely must be an opportunity for Louisiana farmers to do likewise."

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CALIFORNIA EXTENDS

MILK INSPECTION SERVICE.

The market milk inspection service of California Department of Agriculture has been extended to include all the milk consumed by 95 percent of the State's population, says Arthur W. Hayes, market milk specialist for California.

Graded market milk can be had by any locality desiring it, he says. Any local unit of government in California desiring a graded milk supply must first, through ordinance, adopt the provisions of the State agricultural code relating to the grading of market milk. It may then apply to the State Department of Agriculture for approval to maintain, in connection with its health department, an approved milk inspection service.

The California department reports that shipping point inspection activity on fruits and vegetables in December was the heaviest on record, and about double that of December 1932. The increase is attributed in part to the addition of crops that had not been given shipping point inspection previously. The inspection service is optional and is reported as being "fully self-supporting".

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NEW JERSEY MILK BOARD

TO INCREASE RETAIL PRICES.

Advancing costs for materials and labor due to the operation of the NRA codes and generally rising production costs will make necessary a small increase in the retail price of milk in the near future, New Jersey Milk Control Board has announced. The upward tendency in

the cost of feed, grains and other expenses to producers, it was stated, will necessitate better gross returns to dairymen to enable them to remain in business and comply with the high sanitary standards imposed for the protection of consumers.

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THE SLIGHT GAIN IN HOG PRICES during the latter part of December, which was maintained through the first three weeks in January, probably presages a further rise in prices during the remainder of the winter and early spring, says Iowa Extension Service.

ILLINOIS EXTENSION SERVICE has issued a notice that "operators of the 800 hatcheries in Illinois must display their compliance certificates not later than the date of their first hatch or if they are already operating, not later than February 1, in order to comply with the code of fair competition for the hatchery industry.

JOHN FRANKLIN CARTER of Washington, D. C. has been appointed Special Adviser in political economy to the AAA. He will be associated with Dr. Mordecai Ezekiel, Economic Adviser. Mr. Carter was previously employed by the Department of State as Economic Adviser to the Division of Western European Affairs.

SECRETARY WALLACE has approved and signed a marketing agreement for peanut millers which establishes a schedule of minimum prices to be paid peanut growers. The Secretary has tentatively approved a proposed marketing agreement for the fresh asparagus industry of California.

QUESTIONNAIRES to approximately 50,000 farmers and those having daily contact with farmers were mailed into the South on January 26, seeking to ascertain sentiment on some form of compulsory control of the production of cotton.

COTTON CONSUMPTION would be increased by more than 90,000 bales a year should the milling industry use new cotton bags exclusively in packaging flour, says the Bureau of Agricultural Economics. Flour mills in the United States used the equivalent of more than 257,000 bales of cotton in the two years ended June 30, 1932.

A SMALLER INCREASE in production of dairy products the first half of this year as compared with the same period last year is in prospect because farm prices of dairy products are low in relation to prices of feed grains of which the supply is short, says the Bureau of Agricultural Economics.

A PLAN FOR EMERGENCY AID for the dairy and beef cattle industries, provided by \$200,000,000 over and above the processing taxes available for the current year was offered by Secretary Wallace at a conference of spokesmen for the two industries with members of Congress on January 29. The Secretary outlined a \$250,000,000 program to be offered the dairy industry from proceeds of the processing tax and the emergency fund, and asserted that the AAA will be prepared to follow up with assistance to the beef cattle industry after beef cattle are designated by amendment as a basic commodity in the Act

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STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 7, 1934

Vol. 14, No. 6.

TEXAS COMBINES MARKETS AND WAREHOUSE DIVISIONS.

Commissioner J. E. McDonald of the Texas Department of Agriculture reports that the Markets Division and Warehouse Division of that organization have been combined to form the Division of Markets and Warehouses, under the direction of W. A. Canon, chief.

The Commissioner says that about the only change in the functions of this division during the past year has been the passage of the Compulsory Citrus Grading Law. He reports that "the act is working admirably and both growers and shippers appear to be well satisfied with the results."

The Act declares "it to be the policy of the State to provide for the standardization of citrus fruits as a protection to grower, shipper, carrier, receiver and consumer; placing the jurisdiction of grades and classifications thereof under the direction of the Commissioner of Agriculture of the State of Texas; directing and empowering the Commissioner to establish regulations and grades of citrus fruits; providing for the publication of such rules and regulations and the appeal therefrom; providing that the Commissioner and his agents, inspectors and employees shall be prohibited from engaging in trade in citrus fruits; providing for the mandatory grade of citrus fruits; providing for the notification to the Commissioner or his agents, inspectors or employees as to intent of shipment of citrus fruits; providing that it shall be unlawful to ship any citrus fruits affected by this Act unless proper inspection has been made; providing for the issuance of certificates of inspection and declaring such certificates to be prima facie evidence of the true grade of the citrus fruits at the time of inspection; regulating the re-use of citrus containers; providing fees to be charged for inspection; providing for the establishment of the citrus grading fund into which such fees are to be deposited; defining 'deceptive pack' and providing that deceptive pack shall be unlawful; excluding from the provisions of this Act citrus fruits to be graded, packed, stored or converted into by-products within the area affected; providing for the proper labeling of citrus fruits coming within the provisions of this Act and for the registration of grades of citrus fruits; providing for responsibility of carriers under this Act; designating commodities affected by this Act; providing for the weighing of all citrus fruits sold by weight prior to packing by a public weigher; providing penalties for violations of this Act; providing for the validity of the remainder of this Act if any portion hereof be declared unconstitutional; and declaring an emergency."

GEORGIA BUREAU SELLS
PRODUCTS FOR FARMERS.

Georgia Bureau of Markets reports that last year it marketed \$227,328.54 worth of products for farmers, some of the larger items being 17,514 hogs, 1,061 cattle, 5,899 cases of eggs, 260,850 pounds of poultry, and 47 cars of vegetables. A large volume of products was sold in addition through the medium of the bureau's "Market Bulletin" which last year published 28,192 notices. J. F. Greer, director of the bureau reports that the subscription list of the Bulletin is increasing daily, with the latest tabulation showing 110,000 subscribers.

Mr. Greer says that "low prices on all major products prevailed all through the year, which made deep inroads on production and reduced volume far below that in previous years. However, in spite of low prices and less production of the main products handled through the Department there was an increase of more than \$30,000 in sales over 1932."

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VERMONT DIVISION MAINTAINS
MARKETING FUNCTIONS.

H. A. Dwinell, Director, Vermont Division of Markets, reports that no changes were made in the personnel of Vermont Department of Agriculture last year, although a reduction of 25 percent in appropriations made it necessary to cut down the time of some of the inspectors employed in the Division of Dairy Inspection and Division of Markets. "In spite of the reductions, however, we have been able to maintain the functions of the divisions," Mr. Dwinell says. "In the Division of Markets we were obliged to change the Market News Letter from a free to a subscription basis. This naturally reduced its circulation somewhat but the publication will be continued with the subscription price of 25¢ which covers a large portion of its cost."

The Second Vermont Farm Products Show was held at Burlington on January 17, 18, 19. Mr. Dwinell says: "We feel thoroughly justified for our participation (in the show) for the reason that we believe it contributes directly to the general knowledge of grades and quality factors not commonly understood, and promotes the general marketing program. One of the worthwhile features of the show is that all products are judged with a score card; thus each exhibitor, whether he wins or not, learns why his product placed as it did. A section of the show was devoted to competitive hay exhibits. Five pound samples of four classes of hay were called for. The exhibit was judged on the basis of its value as a dairy feed."

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COMPILES REPORT ON EGG
LEGISLATION IN NORTHEAST.

The Marketing Committee of the Northeastern Poultry Producers Council recently compiled a mimeographed publication entitled "Egg Legislation in the Northeastern States." It lists and describes egg legislation in New York, Maine, New Hampshire, Pennsylvania, Massachusetts, New Jersey, Delaware, Connecticut, Virginia, Maryland, Rhode Island, Vermont, West Virginia, and Canada.

Four northeastern States - Pennsylvania, Massachusetts, New Jersey, New York - have enacted inedible-egg laws. The first cold

storage law specifically relating to eggs in the northeastern States, and perhaps in the United States, according to available records, was passed by the Maine Legislature on March 14, 1895, says the report. Pennsylvania was the first State to enact, in 1919, fresh egg laws. In 1927 New York enacted legislation establishing compulsory retail egg grades.

Oddities in egg laws are covered by the report. In New Mexico, for example, eggs are classed as "strongly flavored" products. The State has a statute reading: "It shall be unlawful for any person to handle milk, cream, butter, ice cream or other dairy products in unclean or unsanitary places, or in any unsanitary manner, or to keep, store or handle or care for the same in any room, building or enclosed place in which oils, vegetables, eggs, poultry or other strongly flavored products are kept or handled."

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CALIFORNIA SHIPPERS

WANT LOWER FREIGHT RATES.

"Leading shippers of California's annual \$60,000,000 deciduous tree fruit production, representing 90 percent of the industry, today (January 30) appealed directly to President Roosevelt to assist in a solution of the problem of excessive transportation costs to eastern markets," according to California Department of Agriculture.

"A reduction in freight charges to a proper relationship with 1909-1914 consumer costs would enable California deciduous fruit growers to market the present deciduous fruit production at a profit in its natural and logical outlets," the President was advised by telegraph. "We, therefore," the message continued, "appeal to you for aid in accomplishing a reasonable relationship and adjustment of present rail rates.***If rail rates are reduced to the 1909-1914 level we are confident shipments will be increased 30 to 40 percent so that the carriers would realize practically the same gross revenue under the reduced rate that they are now receiving under present rates."

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HORSE AND TRACTOR

EXPENSES COMPARED.

Two thousand Illinois farmers have proved that whether an operator should use horses or a tractor for power still depends upon the farmer's individual abilities, his financial resources, and the particular condition on his farm, says Illinois College of Agriculture following a survey. Detailed results of the study have been published by the College in Bulletin 395, just issued.

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NEW JERSEY MORTGAGE

DEBT FIFTY-SEVEN MILLIONS.

The estimated mortgage debt on owner, tenant and manager-operated farms in New Jersey is nearly \$57,000,000, W. F. Knowles, New Jersey Experiment Station, told members of the Rutgers Institute of Rural Economics at a recent session. There is some evidence that other farm debts of an interest-bearing nature will run from one-third to one-half of the

mortgage debt, he said; in other words, the total debt of New Jersey farmers probable amounts to between \$76,000,000 and \$85,000,000.

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ILLINOIS FARMERS IN STRONG BARGAINING POSITION.

Rapid increase in the number of local livestock markets within recent years has put Illinois farmers in a strong position to bargain with the larger terminal markets for a reduction in the marketing expenses on the \$175,000,000 or more worth of livestock they sell every year, says R. C. Ashby, Illinois College of Agriculture. It is estimated that 30 percent of all Illinois hogs moved direct to market in 1932 without going through terminal markets.

"If stockmen were sufficiently organized and decided that it were advisable to renew terminal market patronage, they could go to operators of the terminal market involved, specify the volume of livestock they were in a position to return to that market and bargain for a reduction in marketing expense," says Ashby, adding that "this would be in line with the recent agitation of stockmen for a larger patronage of terminal markets. In some sections stockmen have signed up to market all livestock at terminals for a specified period."

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

More than 1,000,000 farmers - over one-half the major corn-hog producers of the United States - attended educational meetings held during the past several weeks in connection with the 1934 corn-hog reduction program. The AAA has under consideration requests from wheat farmers in many States, who failed to apply for wheat allotment contracts at the time of the wheat sign-up campaign. Regardless of the size of their past hog production average, all hog producers now may qualify for hog reduction payments by reducing their hog litter average and production of hogs for market not less than 25 percent. The closing date of the sign-up campaign for 1934-35 cotton acreage adjustment contracts has been extended to February 15. Farmers producing five or less acres of cotton during the base period will be eligible to sign acreage reduction contracts for their entire acreage, or a portion of their acreage of not less than two acres.

The Burley tobacco sign-up campaign will be closed on February 17. Payments, in addition to processing taxes in effect, and necessary to bring to parity the price paid for cereals used in the manufacture of distilled spirits, have been announced by Secretary Wallace. A reduction of nine-tenths of a cent per pound in the processing tax on flue-cured tobacco used in the manufacture of plug and twist tobacco products has been announced. The processing tax on the slaughtering of live hogs levied under the AAA was increased to \$1.50 per 100 pounds live weight, January 31. A milk license for distributors in the Chicago area has been issued, effective February 5. Proponents of a marketing agreement for the red sour cherry canning industry said at a public hearing on February 5 that unless minimum prices were set for the remainder of the 1933 pack, producers would receive little more than the actual cost of harvesting.

PROGRESS IN LEGISLATIONLoans for Crop Production

S. 1975, introduced by Senator Smith of South Carolina on January 4, 1934. This is a bill to provide loans to farmers for crop production and harvesting during the year 1934. The bill was passed by the Senate on February 2 and by the House of Representatives on February 5.

Provision is made for an appropriation from which the Governor of the Farm Credit Administration would make loans to farmers during 1934 of the same character and for the same purposes as the loans provided for by a similar act approved February 4, 1933. It is stipulated also that all loans made pursuant to the act shall be subject, so far as practicable, to the same terms and conditions as the loans made under the Act of 1933. The Governor of the Farm Credit Administration is directed to establish agencies in each State with full authority to approve loans. As introduced, the bill carried an appropriation of \$100,000,000. This was reduced to \$45,000,000 and the bill carried that amount when passed by the Senate. When the bill was under consideration by the House Committee on Agriculture, the appropriation was further reduced to \$35,000,000 and when passed by the House it carried that amount. Such differences as exist between the two houses will be adjusted in conference before the bill is finally approved.

Cattle Under AAA

H. R. 7478, introduced by Representative Jones of Texas on January 30, 1934. This is a bill to amend the Agricultural Adjustment Act so as to include cattle as a basic agricultural commodity. The action sought by the bill would enable the Secretary of Agriculture to finance surplus reductions and production adjustments with respect to the dairy and beef cattle industries and to make advance rental and benefit payments with respect thereto. An appropriation of \$200,000,000 is authorized.

In the report made upon the bill by the House Committee on Agriculture, its primary purposes are given - first, to make cattle a basic agricultural commodity for the purposes of the Agricultural Adjustment Act, and, second, to authorize an advance appropriation of \$200,000,000 to permit the immediate inauguration of a plan for emergency aid for the dairy and beef cattle industries.

After discussion on February 5, 1934, this bill was passed by the House.

S. 1981, a somewhat similar bill, was introduced by Senator Connally of Texas and was reported to the Senate by the Senate Committee on Agriculture on February 7, 1934.

P. A. C. Act Amended

H. R. 6525, introduced by Representative Buck of California on January 8, 1934. This is a bill to amend the Perishable Agricultural Commodities Act of 1930. It was reported to the House by the Committee on Agriculture on February 1 and was passed by the House on February 6, 1934. The amendments contained in this bill are comprehensive and are intended to correct some of the deficiencies in the present law, which are needed to make it effective and to serve the purposes intended when the law was enacted four years ago. The P. A. C. Act requires the licensing of commission merchants, dealers and brokers handling fresh fruits and vegetables in carlot quantities in interstate commerce. The amendments are for the purpose:

(1) Of making more definite and practicable the enforcing of any reparation award made against a receiver or consignee of perishable products by the Secretary.

(2) Of strengthening the Secretary's hand in connection with the issuance of licenses, having in mind any previous offenses which may have been committed by the party concerned; also the cancellation of licenses by the Secretary.

(3) Of including within the term "dealers" canners and processors buying perishable products within the State where canned or processed.

(4) Of making the inspection certificate issued by the Department prima facie evidence in all proceedings under the Act.

(5) Of extending the jurisdiction of process in connection with a suit for collection of reparation award.

COMMERCIAL SEED SUPPLIES
SMALLEST IN YEARS.

Commercial supplies of many grass and clover seeds are the smallest in a number of years, according to the Bureau of Agricultural Economics. A large increase in the demand for seeds is reported. Much of the land taken out of cultivation through acreage reduction programs of the Agricultural Adjustment Administration will be seeded down, it is expected. Then too the Forest Service of the Department of Agriculture and the Soil Erosion Service of the Department of the Interior have bought about 1,200,000 pounds of grass and clover seed since last fall.

Forage seed crops, with few exceptions, last year were below average and a smaller quantity of seed than usual was carried over from previous crops. However, the increased crops of alfalfa and lespedeza seed are expected to offset in part the decreased production of red and alsike clover, soybeans, and cowpeas. Present prices, in the main, are higher than last year, says the bureau, but much lower than the 10-year (1922-31) average. Last year's alfalfa seed crop was two-fifths larger than in 1932, but only slightly larger than an average crop, and the quantity of alfalfa seed carried over from the year before was smaller than usual says the bureau.

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February 14, 1934

Vol. 14, No. 7

COTTON BAGS POPULAR AS CONSUMER PACKAGES.

More than 10,000,000 cotton bags were used in 1932 in consumer packaging of potatoes, whereas in 1928 only about 500,000 cotton bags were used for this purpose, says the Bureau of Agricultural Economics in a printed pamphlet on the subject. Three years ago, the 25-pound bags were most popular, but now the 15-pound bags are most popular, and more of the 10-pound bags are being used, it is stated. A survey by bureau representatives recently disclosed that farm products in consumer-size bags are being received in practically all northern markets, in the East, in many southern markets, and in some western markets. Some wholesalers and retailers said they believe that the small cotton bag is rapidly becoming the principal type of container for merchandising potatoes, onions, and citrus fruit.

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CALIFORNIA COLLECTS ON GROWERS' CLAIMS.

California growers and shippers of fresh fruits and vegetables have been notified that claims amounting to \$5,000 made by them against eastern buyers have recently been settled or adjusted in their favor, by California Division of Market Enforcement. A well known Turlock shipper of melons and other farm commodities, was recently convicted on a charge of acting as a commission merchant for farm products without conforming to the California Produce Dealers Act. The defendant plead guilty, was sentenced to jail for thirty days, but the sentence was suspended pending the defendant's good behavior.

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ILLINOIS STUDIES LOCAL LIVESTOCK MARKETS.

Illinois stockmen and farmers are being urged by Illinois College of Agriculture to make a careful appraisal of the advantages and disadvantages of local livestock markets as against terminal markets, following a two-year study of local livestock markets by R. C. Ashby, associate chief in livestock marketing. Ashby says that "rapid development of these

local markets indicates that they must have some advantages which appeal to farmers; however, they have their disadvantages. Major advantages include convenience; no delay in securing returns; some apparent saving in marketing expenses, and avoidance of risk of price change, since on short haul deliveries the approximate price can be known before the hogs leave the farm. Major disadvantages, less apparent to the farmer and hence frequently disregarded, include less assurance of accurate weights; non-competitive sorting and grading; payment not guaranteed whereas at terminal markets all sales agencies are under government approved surety bonds guaranteeing payment to shippers; local markets have, on the whole, tended to weaken the level of hog prices, and while affording an apparently desirable outlet for hogs, many local markets do not handle other livestock, leaving the producer to dispose of cattle, calves and sheep elsewhere."

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FCA REPORTS ON
FARM MORTGAGE LOANS.

A volume of farm mortgage loans averaging \$125,000 per county for the 3,072 counties in the United States has been made by the Farm Credit Administration since May 1, 1933. This average varies among the states, for the FCA is making the most loans in the most distressed areas where farm mortgage indebtedness is heaviest. The range is from \$30,000 to \$500,000 per county.

The loans are of two types - land bank and land bank commissioner's loans. The largest class of creditors was individuals, who received \$50,200 from the loans in the average county.

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CROP BOARD
DESCRIBES METHODS.

A description of the methods used by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics in collecting and analyzing statistical data relating to crop and livestock production and related subjects, prepared by the Washington statistical staff of that division to meet a widespread demand for information concerning the operation of the United States crop-reporting service has been published as Miscellaneous Publication 171, entitled "The Crop and Livestock Reporting Service of the United States," by the U. S. Department of Agriculture. The book presents in detail both technical and non-technical phases of the work, and for non-technical readers only, a "separate" has been issued in which the origin and purposes of the Crop and Livestock Reporting Service are explained.

A chapter entitled "Development of Check Information" will be of especial interest to some readers, since it describes the continuing efforts of the Crop Reporting Board to develop and use data collected by other agencies to check or verify the accuracy of the official forecasts and estimates of crop production and to supplement the usual sources of information. The actual count of the bales of cotton ginned, made by the Bureau of the Census through one or more paid agencies located in each cotton county, is undoubtedly the most satisfactory type of check data available, it is stated.

NEW JERSEY DEPARTMENT
ISSUES "FOOD FACTS"

A syndicated news feature entitled "Food Facts", for distribution to newspapers and other publications, has been started by the New Jersey Department of Agriculture, to supplement other releases by its Division of Consumer Information. There are six feature stories on the "Food Facts" sheet, and a "Do You Know" department. Titles of stories on the current sheet are: "Science Finds Lent Food Ritual Aids Health By Improving Diet"; "Yams or The Dry Type? Epicurean Sweet Potato Eaters Take Sides"; "Sea, Man's Oldest Food Source, Still Yields Finest Products"; "Cranberry Juice Now Joins List of Flavorful Fruit Beverages"; "World's Hardest Worker Makes 80,000 Trips for Pound of Honey", and "Noting Packaged Food Net Weight as Important As Counting Change".

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

The AAA is tentatively developing marketing agreements with shippers of potatoes to bring about orderly marketing and to prevent the anticipated large crop from having its usual depressing effect on prices received by producers. A new type of farm production record book, designed for the AAA to aid farmers in planning production, and to serve as a basis for assembling information for contract applications and proofs of compliance, will be furnished to 2,000,000 farmers who have signed production adjustment contracts.

Burley tobacco growers whose production in both 1932 and 1933 was abnormally low because of drought, flood, hail or storm damage, have been granted an additional option in the Burley tobacco adjustment agreement which will make it possible for these growers to take part in the production adjustment program. Commodity loans disbursed by the Commodity Credit Corporation at the close of Feb. 2 totalled \$58,-240,123.40 for cotton, and \$46,347,021.11 for corn.

Public hearing on a proposed code of fair competition for the marketing branches of the egg and poultry industry of the Pacific Slope region will be held at San Francisco, February 21. Making peanuts a basic agricultural commodity under the AAA, and developing a production control program for the peanut growing industry have been recommended to Secretary Wallace by the control board provided for in the peanut marketing agreement now in effect. Secretary Wallace has tentatively approved three marketing agreements for dark air-cured and fire-cured tobacco, which are designed to improve prices to growers.

Public hearing on a proposed two-year marketing agreement for the canned pea industry, providing for minimum prices to growers for the 1934 and 1935 seasons and for allocation of the total pack by regions will be held in Chicago, February 19. Officials of the AAA declared on February 13 that in several sections of the country commission firms and other marketing agencies are charging producers excessive rates for duplicate sales slips and other verification of records needed by signers of corn-hog reduction contracts.

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"BREAD GRAIN CONSUMPTION and Trade in Scandinavian Countries" is the title of a mimeographed report recently issued by the Bureau of Agricultural Economics.

PROGRESS IN LEGISLATION
Allotments Of Cotton To Be Marketed

H.R. 7703 introduced by Representative Bankhead of Alabama on February 6, 1934. A bill to place "The Cotton Industry on a Sound Commercial Basis and to Prevent Unfair Competition and Practices in Putting Cotton into the Channels of Interstate and Foreign Commerce".

This proposed legislation would create an allotment plan covering the marketing of cotton exempt from taxation. The Secretary of Agriculture would ascertain from an investigation the available supply of cotton and the probable market requirements and quantity of cotton that should be offered for sale in the markets from production of cotton during the succeeding cotton crop years exempt from the payment of taxes thereon. The amount that may be marketed exempt from such tax for the crop year 1934-35 is fixed at 9,500,000 bales. In the bill provision is made for allotments to be made to States and Counties and all marketings of cotton not so allotted shall be subject to a tax of 12 cents per pound. The determination of the Secretary as to allotments, etc., shall be made only after he is satisfied that a majority of the owners of farms on which cotton is produced favor such levy of a tax on the sale of cotton in excess of an allotment to meet the probable market requirements.

A similar bill, S. 1974, was introduced in the Senate by Senator Bankhead on January 4, 1934. This bill was reported favorable to the Senate on February 10.

Peanuts as Basic Agricultural Commodity

S. 2652 was introduced in the Senate, on February 6, 1934, by Senator Byrd of Virginia. Its purpose is to include peanuts as a basic agricultural commodity under the Agricultural Adjustment Act. A similar bill has been introduced in the House by Representative Kerr.

Crop Production Loans

S. 1975, to which reference was made in the last issue of "Marketing Activities", is a bill to provide loans to farmers for crop production and harvesting during 1934. As passed by the Senate the bill carried an appropriation of \$45,000,000. When acted upon by the House, this was reduced to \$35,000,000. The Committee on Conference of the two Houses has fixed the amount at \$40,000,000, and that figure has been accepted by the Senate and the House. The bill now goes to the President for approval.

Agricultural Census

H. R. 7765, introduced by Representative Ellenbogen, provides for a population, unemployment, and agricultural census to be taken as of November 12, 1934.

CORRECTION

One of the amendments of the P.A.C. Act excludes from the term "dealers" canners and processors buying perishable products within the State where canned or processed. The summary of the proposed amendments, published in "Marketing Activities" of February 7, stated erroneously that the amendment included within the term "dealers" canners and processors buying perishable products within the State where canned or processed.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 21, 1934

Vol. 14, No. 8

EGG BUYERS STRESS

SIZE AS GRADE FACTOR

Fifty-five cases of eggs from New Hampshire were recently graded in the Boston market as part of a study of the grade and condition of New Hampshire eggs in market channels. Official inspection reports were rendered on nearly every case of eggs, one copy going to the shipper one copy being filed with the dealer, and another copy being filed with the inspection division of the Bureau of Agricultural Economics.

The demonstration was conducted by L. A. Dougherty of New Hampshire Extension Service, George H. Powers of the Bureau of Agricultural Economics, and L. A. Carlisle of New Hampshire Department of Agriculture. The New Hampshire department, in a report, says:

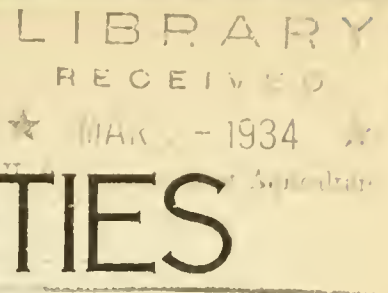
"It was the opinion of the group conducting the study that so far as grading for the quality of egg contents is concerned, most firms were very liberal in their interpretation. Apparently eggs that did not show any great amount of age, were free from sizable blood and meat spots, and had a reasonably firm white were accepted without murmur. The size factor seemed vastly more significant than the content quality. Buyers wanted eggs that totaled 59-60 lbs. or more per case and would pass up cases weighing less or accept them only as mediums. A case containing eggs averaging exactly 24 oz. to the dozen would not under present market practice at this season of the year be accepted as large eggs or be classed as 'Specials' for such a case weighs only 57-58 lbs. Furthermore, it was found that in cases containing eggs of irregular size the smaller eggs were put into mediums or pullets even though they might weigh 2 oz. each. The buyers maintain the foregoing conclusion that cases showing irregular sizes contain plenty of small eggs even though the total weight is relatively heavy."

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NEW JERSEY BOARD

CUTS MILK PRICE.

New Jersey Milk Control Board has made a 13 cent reduction in the wholesale price of milk effective as of February 15, "in order to meet competitive price levels in adjoining States." At the same time the Board announced an increase in the butterfat differential to be paid to producers, and stated that it is reducing the retail price of cream



U. S. Dept. of Agriculture Library,
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4 K Washington, D. C.

to allow consumers to share in the reduced basic wholesale price. The wholesale price reduction amounts to approximately one-quarter of a cent per quart to the producer. Under the new ruling producers will be paid \$2.69 per hundredweight for Grade A milk and \$2.10 per hundredweight for milk other than Grade A. The butterfat differential was advanced from \$.04 to \$.06 for each one-tenth of one percent over 3.5 percent butterfat, the advance representing a 50 percent increase in the butterfat premium paid to producers.

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ILLINOIS SEES GOOD
OUTLOOK FOR FARMERS.

The most promising year that they have had since 1929 is ahead of Illinois farmers as they begin their operations for 1934, according to the annual outlook report issued by Illinois College of Agriculture. The better outlook is based upon the improvement made in the general situation in 1933 and upon measures designed to relieve the problem of acute surpluses of certain products, it is stated, with the reservation however that "progress in agriculture must be expected to be slow and somewhat erratic."

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NEW YORK REPORTS ON
FARM CREDIT STUDIES.

Three-fourths of the farmers in Genesee, Tioga, Seneca, and Ulster Counties, New York, obtained short-term credit in 1931 by charging purchases at stores, according to G. W. Hedlund of Cornell. One-third obtained credit at banks and one-fifth from other sources. Four hundred and fifty-six farmers were consulted in farm credit studies. The amount of short-term credit obtained by each farmer varied from a few dollars to several thousands. In the Seneca County group the average amount for each farmer was \$340; in Ulster it was \$1,451; in the four areas it was \$702.

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PRICE INDEX ON TRUCK
CROPS IS RELEASED.

Index numbers of prices to producers of commercial truck crops for shipment, by months, since January 1924 have been released by the Bureau of Agricultural Economics. "This new index of prices of truck crops for shipment to market," it is stated, is an attempt to supply, in part at least, a long-recognized need of the expanding vegetable and truck-crop industry. The seasonal nature of most of these crops with their intermittent appearance on the market stage, and their impetuous price fluctuations have necessitated the use of a different type of index number from that used for farm products in general. Like every type of index number it has inherent limitations. The scope of the index is limited to the period since January 1924 when monthly data were first collected."

POTATO GRADES DISCUSSED
AT CORNELL MEETING.

Revised potato grades and their meaning to New York growers were discussed before a farm and home week group at Ithaca, N.Y. by H. S. Duncan, New York Department of Agriculture, on February 14.

The fancy grade, he said, provides that potatoes must be free from injury caused by various defects, they must be bright and also free from injury by dirt. The smallest diameter permitted is two inches, and for the varieties commercially grown and marketed in New York State, at least three-fifths of each lot of fancy grade must be $2\frac{1}{4}$ inches or larger.

The No. 1 grade requires that potatoes be fairly well shaped, free from certain serious defects such as freezing injury and black heart, and free from damage from such sources as dirt, scab, and sunburn. To meet requirements of the next grade, "commercial", potatoes must qualify the same as for grade No. 1 except that they must be free from serious damage by dirt, but an increased tolerance for defects is allowed. Mr. Duncan described Grade No. 2 as of little importance in the marketing of State potatoes.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

The January reduction of butter storage stocks by commercial agencies this year was about five times the reduction made in January 1933, and well above the five-year average reduction for that month, says the AAA. Secretary Wallace has tentatively approved a marketing agreement for the California Canned Asparagus industry, which embodies a new method for increasing returns to growers. The position of chief of the dairy section, AAA, has been offered to U. M. Dickey, Seattle, Washington, president of the Consolidated Dairy Products Co.

Secretary Wallace has tentatively approved a proposed new marketing agreement for the Southern Rice Milling industry, which provides for a crop control plan for rice grown in Louisiana, Arkansas, and Texas. The AAA announced on February 15 that "a sufficient number of contracts has been signed in the 1934 cotton adjustment program to warrant the Secretary of Agriculture in declaring the program effective and accepting producers' contracts which are in the proper form and receive administrative approval. A proposed marketing agreement for the meat industry has been drafted and is being considered by the Institute of American Meat Packers. The expiration date for granting loans to farmers on ear corn stored on farms, through the Commodity Credit Corporation, has been extended from March 1 to April 1.

Dr. H. R. Wellman of the University of California, has been appointed as chief of the general crops section of the AAA to succeed J. W. Tapp who is now assistant director of the commodities division. A hearing on a proposed marketing agreement for the Lexington, Ky., milk area will be held at Lexington, February 26. Farmers signing corn-hog contracts have been authorized to replant drought or winter-killed 1933-sown hay or pasture crops with specified feed crops. Information on production and other figures from corn and hog producers who sign the production reduction contract offered under the AAA is to be published in the newspaper of the counties in which producers sign the agreement and form county production control associations.

PROGRESS IN LEGISLATIONPeanuts A Basic Commodity

S. 2652 would include peanuts as a basic agricultural commodity under the Agricultural Adjustment Act. The bill was reported favorably to the Senate on February 15 by the Committee on Agriculture and Forestry, with the statement:

"In view of the showing made to the committee as to the commercial value of this product and also in view of the fact that the bill received the endorsement of the Department of Agriculture, the Committee deemed it but fair to include this commodity in the Agricultural Adjustment Act as a basic agricultural commodity."

Tax on Short Sales

H. R. 7806. This bill introduced by Representative Cross of Texas would levy a tax of 20 percent in addition to any tax now levied on the profits derived from short sales of commodities and short sales and marginal purchases of stocks, bonds, and other securities.

Sugar Beets and Cane

S. 2732 introduced by Senator Costigan of Colorado on February 12 would authorize inclusion of sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act. A similar bill, H.R. 7907, was introduced in the House by Representative Jones of Texas.

Processing Tax on Tobacco

H. R. 8053, introduced by Representative Brown of Kentucky, on February 16, would authorize and direct the Secretary of Agriculture to levy a processing tax on all burley tobacco in an amount sufficient to make payments to the growers of burley tobacco on the basis of the difference between the prices received by said growers for the 1933 crop and the fair exchange value of said crop.

Government Tobacco Buying

H.R. 7972, introduced by Representative Spence of Kentucky, February 14, "to aid in reducing the tobacco surplus", would authorize the use of a portion of funds collected as taxes under the internal revenue laws during the preceding fiscal year on tobacco to enable the Secretary of Agriculture to purchase certain amounts of unmanufactured tobacco, also from growers a quantity of the lowest grades of each class, for sale for export.

Tax on Unlicensed Cotton

H.R. 7971, a re-introduction in amended form by Representative Bankhead of Alabama, of the bill to place the cotton industry on a sound commercial basis, etc., through the licensing of all cotton to be ginned, and the taxing of cotton not grown under allotment and license.

Rye, Flax and Barley as Basic Commodities

S. 2785, introduced by Senator Frazier of North Dakota, February 15, would include rye, flax and barley as basic agricultural commodities under the Agricultural Adjustment Administration.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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February 28, 1934

Vol. 14, No. 9

KENTUCKY LIVESTOCK SHIPPERS
USING MOTOR TRUCKS.

The trucking of livestock in Kentucky has increased rapidly during the last five years, reports Kentucky Experiment Station. Of the 331,214 head of livestock received at Cincinnati in 1930, from Kentucky, 34 percent were delivered by motor truck. At Louisville the truck receipts from Kentucky for the year were 277,500 head, or 67.01 percent. From January 1, 1931 to November 11, 1931, truck receipts of livestock at Evansville from Kentucky were 109,816 head. Livestock was received by truck at Cincinnati from 71 Kentucky counties, at Louisville from 53 Kentucky counties, and at Evansville from 20 Kentucky counties. At Cincinnati 96.2 percent of all livestock received from Kentucky by truck was transported less than 60 miles, the bulk coming from within 45 miles of the market. The bulk of the livestock trucked to Louisville originated in a belt located from 20 to 60 miles from the market, and at Evansville 92 percent of the truck receipts from Kentucky came from within a radius of 60 miles.

The truckers of livestock included farmers, contract operators, and public carriers. The Station says that advantages to farmers of livestock transportation by truck to market are: Rapidity of service, convenience of service, cheapness of service, additional market outlets furnished for livestock, livestock producers enabled to visit the market often and gain a better understanding of market conditions and requirements. Detailed results of the study have been published by Kentucky Experiment Station Bulletin 344, entitled "Marketing Kentucky Livestock by Motor Truck."

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NEW YORK FRUIT CROP
SUFFERS FROM COLD.

Losses in the fruit crop of New York State, ranging from 10 percent in apples and small fruits to complete destruction of all fruit buds in peaches and sweet cherries, are predicted by Prof. G. P. Van Eseltine of New York Experiment Station at Geneva, on account of the low temperatures in most sections of the State this winter. Plums, pears, sour cherries, and quinces will probably not produce more than half a crop, he says. The estimates are based on records of injuries sustained in other seasons of severe cold, notably the winters of 1895-96, 1903-04, and 1917-18. and on the fact that lower temperatures have been experienced this winter in many sections than at any previous time.

TERMINAL MARKETS LOSE
BUSINESS TO LOCALS.

Unless local and terminal livestock markets can be better coordinated or new influences change existing conditions, the vast terminal markets which have been built up in this country must eventually give way to the new local agencies, predicts R. C. Ashby, Illinois College of Agriculture.

Local livestock markets have greatly decreased the hog receipts of the terminals, he says. Until 1926, hog receipts at the public stockyards exceeded the Federally inspected slaughter, but by 1932 terminal receipts were only 77 percent of the hogs inspected by Federal authorities. In 1922 but 22 percent of all hogs slaughtered under Federal inspection were purchased outside the public markets, whereas ten years later the figure had increased to more than 43 percent.

Ashby says that local markets have decreased supplies of hogs available for sale on the public markets even more than they have reduced receipts, and that operation of local markets has tended to lower the quality of terminal market receipts, particularly at Chicago. By selling hogs to eastern packers for less than they could buy them on the terminals, largely because of favorable freight tariffs, local agencies have contributed to a price-lowering cycle which may continue until all packers turn to local markets for their purchases, or local markets price their hogs on a parity with the terminals, quality and yield considered, Ashby asserts.

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OHIO LAUNCHES EAT MORE
BUTTER CAMPAIGN.

The Ohio Use More Butter Committee was recently established at Columbus, Ohio, with L. L. Rummell as director, reports Ohio Extension Service. In its membership are the Grange, Farm Bureau, dairy co-operatives, Ohio State University dairy specialists, Central Dairy Producers' Council, Ohio Dairymen's Association, the Ohio Farmer, and others. The Committee has set as its ideal reaching every farm home in Ohio with a pledge that more dairy products will be used on the farm table and all dairy substitutes will be banned.

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FCA READY TO MAKE
EMERGENCY CROP LOANS.

Regulations for making emergency crop loans from the \$40,000,000 fund recently made available by Congress indicate that a farmer may obtain such a loan if he cannot qualify for credit elsewhere, if he has a justified need for credit, and if he is cooperating with the production control program of the AAA, according to S. M. Garwood of the Farm Credit Administration.

The maximum amount which will be made available to any one farmer this year is \$250 and the minimum is \$25 according to the regulations. The interest rate will be 5½ percent per annum. Provisions for taking crop liens have been worked out and detailed regulations will be placed in the hands of local emergency crop loan committees within the near future.

RETAIL MILK PRICESTOO HIGH, SAYS ILLINOIS.

A decline of from 10 to 15 percent in the per capita consumption of milk and cream in important fluid milk markets of the United States during the past several years has been caused principally by retail prices which have been too high in relation to consumers' declining purchasing power, says Dr. R.W. Bartlett, Illinois College of Agriculture, following an investigation the detailed results of which have been issued by the college in a bulletin entitled "Prices and Consumption of Milk in Specific Cities as Related to Industrial Payrolls and Other Economic Factors."

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A license for distributors of milk and cream in the sales area of Omaha, Neb., and Council Bluffs, Ia., has been signed by the AAA. Loans on farm warehoused corn, disbursed to farmers at the rate of a million dollars a day by the Commodity Credit Corporation, will cost farmers an average of less than 3 cents per bushel on corn placed under seal as collateral. This charge includes all initial costs of inspection, sealing, and interest and insurance for the 10-months period. A marketing agreement for the gum turpentine and gum rosin processing industry went into effect on February 21.

A tobacco adjustment program for Puerto Rico, which will mean the distribution of approximately \$1,750,000 in benefit payments to growers in 1934 and 1935, has been announced by the AAA. Approximately 400,000 farmers in middlewestern States have signed the 1934 corn-hog reduction contract. A public hearing on a proposed marketing agreement for the tomato canning and tomato products industry will be held at Washington, D.C. on March 3. A public hearing on a proposed code of fair competition for the livestock operators industry will be held at Washington, D.C. on March 2.

Overhauling fluid milk marketing practices to eliminate long-standing devices for collecting unjustifiable service charges from farmers is being undertaken by the AAA, Secretary Wallace announced on February 22. A public hearing on a proposed marketing agreement for the pea bean industry of Michigan will be held at Saginaw, Mich., on March 5 and 6. Auditors of the AAA are to be sent to Minneapolis and St. Paul to audit the books of milk distributors in that sales area.

With the success of the cotton adjustment campaign assured by the pledges of cotton farmers that approximately 15,000,000 acres will be taken out of production in 1934, the work of adjusting contracts to conform with official base production and acreage figures is under way in the Cotton Belt, the AAA has announced. A total of \$30,643,101.95 was paid by processors for the pigs and sows slaughtered during the emergency hog marketing program last August and September.

Pigs given to farm children may be included in the base production of farmers signing corn-hog contracts, the AAA has ruled. A hearing on a proposed agreement covering the purchase and distribution of milk and cream in the Los Angeles sales area will be held at Los Angeles on March 9. The wheat program has been reopened to give farmers in all States, who have not yet signed up, an opportunity to join the adjustment plan. The processing tax on the slaughtering of live hogs was increased to \$2.25 per hundredweight, live weight basis, on February 28.

PROGRESS IN LEGISLATIONGovernment Export Corporation

H.R. 269, introduced by Representative Sirovich of New York, on February 15, would create a Federal Export and Import Corporation to undertake and to continue the rehabilitation and further development of the export and import trade of the United States.

H. R. 8020 would "promote the exportation, purchase, and sale of agricultural products."

Loans to Apiarists

S. 1750 is a bill to authorize loans by Regional Agricultural Credit Corporations to apiarists. In the Emergency Relief and Construction Act of 1932, the Reconstruction Finance Corporation is authorized to set up Regional Agricultural Credit Corporations which, in turn, are authorized to make loans to farmers and stockmen. The present bill adds the word "apiarists", and also the words "or for the culture of bees or the marketing of honey." This bill was passed by the Senate on February 20.

Investigation of Grain Exchanges

S.Res. 195 was introduced by Senator Frazier of North Dakota, on February 19. Under this resolution, the Senate Committee on Agriculture and Forestry would be authorized "to investigate all phases of the operation of grain exchanges in the United States with a view to determining the effect of such operations upon the cost of agricultural commodities to producers and consumers, and the fluctuations of the market prices for such commodities as a result of gambling and manipulation upon such exchanges."

A New Food and Drug Bill

S. 2800, a bill to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drink, drugs, and cosmetics, and to regulate traffic therein; to prevent the false advertisement of food, drink, drugs and cosmetics, was introduced in the Senate by Senator Copeland on February 19. This is a revision of S. 2000, previously introduced by Senator Copeland.

Cotton and Cotton Products - Distribution

S. 2500, a bill to aid the existing national emergency through free distribution to the needy of cotton and cotton products, was introduced by Senator Smith on January 26. Provision is made for an appropriation of \$150,000,000 to carry out the purposes of the bill.

On February 19 the Senate Committee on Agriculture and Forestry favorably reported the bill to the Senate, with amendments. In its report the Committee stated: "The primary objective in this bill is to make the existing cotton surplus available for the use of consumers who are unable because of the depression to purchase clothing, bedding, and other necessary articles. In other words, it constitutes a direct attack on the paradox of want and destitution in the presence of surpluses."

STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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Vol. 14, No. 10

SUPREME COURT UPHOLDS MILK CONTROL ACT.

Constitutionality of the New York Milk Control Board Act was upheld in a decision rendered by the United States Supreme Court on March 5. The Court maintained that the production and distribution of milk is a paramount industry of the State and largely affects the health and prosperity of the people. The decision gives the State broad powers and holds that the Milk Control Law is not arbitrary or discriminatory, and that the Board has the right to fix prices that shall be paid to producers as well as prices governing the sale of milk at retail.

Justice Roberts, speaking for the majority of the Court, pointed out that since producers are subject to rules and regulations governing the health of the herd, the sanitation of the stables and the protection of the milk at all times, it is only right that their markets should be legally protected.

New Jersey has a similar law, and the Milk Control Board in that State has announced a series of five public hearings at which the Court's decision will be discussed. Dairy men at these hearings will be expected to furnish the Board with information regarding costs of production, and dealers to furnish detailed statements regarding operating expenses.

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CALIFORNIA BANS SALE OF ALASKA REINDEER MEAT.

Alaska reindeer meat cannot be sold in California because the conditions under which the animals are slaughtered do not meet California statutes covering meat inspection, Dr. C. U. Duckworth, California Department of Agriculture, has announced. The order against the sale of reindeer meat will impound large quantities of the steaks in Los Angeles and San Francisco, and it is reported that owners of cold storage stocks have agreed to ship the meat out of the State.

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OFFICIAL UNITED STATES STANDARDS for individual eggs have been announced by the U. S. Department of Agriculture; also, standards for grades of tomato catchup, tomato juice, and lettuce.

U. S. Dept. of Agriculture Library,
Attn, Miss Trölinger,
4 K Washington, D. C.

BASKET MANUFACTURE CONVICTED
FOR CONTAINER ACT VIOLATION.

A New Jersey package company was recently convicted in the United States District Court at Camden, N. J., on the charge of manufacturing illegal one-bushel flat bottom baskets for fruits and vegetables in violation of the Standard Container Act of 1928. A fine of \$50 was imposed. The baskets were described as continuous stave, flat-bottom 3-hoop baskets, commonly known as "tub baskets" whereas tests by the Bureau of Agricultural Economics showed the baskets to be of less than 31 quarts capacity. The Court held that the law requires the baskets to be of certain specified capacities irrespective of the method of manufacturing or the manner in which the baskets are used.

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FARM PLANT TOO LARGE FOR
PRESENT POPULATION, SAYS IOWA.

Our national farm plant is too large for our present population and, in spite of any reasonable reduction brought about by the various AAA measures, will continue too large unless we reestablish foreign trade, according to T. W. Schultz, Iowa State College economist, in a bulletin soon to be published at Ames. The bulletin is one of a series on "Prospects for Agricultural Recovery".

Prof. Schultz says that "consumption of food products does not decline much during a depression, nor does it increase much during good times; therefore, we can hope for little expansion of our markets for agricultural goods with a return of purchasing power in industry, even though agricultural prices and industrial payrolls do seem to bear a close relation to each other."

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CALIFORNIA SAYS CANDLING
IS BEST EGG GRADING METHOD.

Because of the number of widely different factors that contribute to the quality of eggs, it appears unlikely that any grading method can be devised which will possess as much versatility, accuracy, and speed as the candling method, says Dr. H. J. Almquist, California Experiment Station.

A more exacting measure of egg quality may possibly be developed, he says, but it will be subject to several serious objections, among which are time and labor required for proper sampling and making tests, and the unavoidable destruction of eggs tested.

The relation of the candling appearance of eggs to their quality is described by Dr. Almquist in Bulletin 561, recently published by the University of California, Berkeley.

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AGRICULTURAL RELIEF - A Selected and Annotated Bibliography" has been issued by the Bureau of Agricultural Economics. It contains references to books, Congressional committee hearings, reports and documents, addresses, and periodical and newspaper articles and editorials.

NORTH DAKOTA SEESBETTER OUTLOOK FOR SHEEP.

The immediate future looks bright for the sheep farmer, according to Hilton Briggs, North Dakota Extension Service, who declares that "the wool market is strong; the domestic wool carryover will be negligible; foreign countries are competing strongly in the world wool market, and the price promises to hold steady. Likewise encouraging is the lamb market. Good top fat lambs are moving at \$9.50 per hundredweight. Market offerings are below normal as much as an average of 19 percent in some weeks. The lambs on feed in the feeding sections are fewer in number than usual and many sheepmen are predicting \$10 lambs for the near future. Sheep production is now on a downward trend."

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NEW JERSEY PRICESCLOSE TO PARITY.

New Jersey farmers came closer to achieving pre-war parity in 1933 than did farmers of any of 23 other States for which New Jersey Department of Agriculture has data, says that department. The index number of prices received by New Jersey farmers in 1933 came within 1 point of reaching the pre-war base of 100. Maryland farmers came next nearest to obtaining pre-war prices. Favorable prices received by New Jersey dairymen and potato growers balanced very low prices received by other farmers and were thus responsible for raising the average, it is stated. The index number of the purchasing power of New Jersey farmers rose from 69 in January, 1933 to 112 in July, and stood at 97 in December. The estimated index for the year was 89.

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NEW YORK PUBLISHESDAIRY INDUSTRY STATISTICS.

"Statistics Relative to the Dairy Industry in New York State 1932-33" has been issued as Bulletin 277 by New York Department of Agriculture and Markets. R. L. Gillett, Senior Agricultural Statistician, reports that "a law enacted last session of the New York Legislature requires a charge of 60 cents per copy (cost of printing), except for certain official institutions such as libraries, educational institutions, public officials, etc."

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CASH FARM INCOME484 MILLIONS IN JANUARY.

Farmers received a cash income of \$484,000,000 in January which included \$424,000,000 from farm products marketed and \$60,000,000 in rental and benefit payments, the Bureau of Agricultural Economics estimates in the first of a new series of monthly reports on cash income from farm products. The total cash income in January 1934 was 41 percent larger than in January 1933. Income from products marketed in January was 4 percent more than in December 1933 and 23 percent more than in January a year ago.'

PROGRESS IN LEGISLATION

Amendments - Packers and Stockyards Act

H.R. 8099, introduced by Representative Wearin of Iowa, February 19, would amend the Packers and Stockyards Act in several particulars. In opening his recent speech in the House, Mr. Wearin said: "I have introduced a bill in the Congress of the United States today that amends the Packers and Stockyards Act of 1921, granting the Secretary of Agriculture access to the books and records of the American meat packers, limiting their activities in the feeding of livestock, regulating to a certain extent the present practice of direct buying, and eliminating the defects in the Act of 1921 that have been disclosed in approximately thirteen years of its administration."

Control of Cotton Production

H.R. 8402 is a revision of earlier bills introduced by Representative Bankhead, the title of which is "to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, and to provide funds for paying additional benefits under the Agricultural Adjustment Act. This bill was reported favorably to the House, with amendments, by the Committee on Agriculture on March 3. The purpose of the bill is to control the production of cotton through allotments to producers and the taxing of cotton ginned in excess of the amount allotted. It is a companion bill to S. 1974, which has been reported to the Senate.

Marketing of Tobacco

H.R. 8349, introduced by Representative Flannagan of Virginia, February 28, relates to the marketing of tobacco. Licenses would be required of tobacco warehousemen, and of commission merchants or brokers dealing in tobacco; also of weighers and buyers of tobacco, under regulations of the Secretary of Agriculture.

Cattle as Basic Commodity

H.R. 7478 would amend the Agricultural Adjustment Act to include cattle as a basic agricultural commodity. The bill, as previously reported, was passed by the House on February 5. It was reported to the Senate by the Committee on Agriculture and Forestry on March 5, and is now under discussion in the Senate.

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PAUL G. REDINGTON, Chief of the Bureau of Biological Survey for the past seven years and for twenty-three years with the Forest Service, returned to the Forest Service on March 1 in an important administrative position. The transfer was brought about at his own request. W. C. Henderson, associate chief, will be acting chief of the Bureau of Biological Survey.

DR. M. A. McCALL, in charge of the Division of Cereal Crops and Diseases, Bureau of Plant Industry, has been placed in charge also of cotton and other fiber investigations in that bureau. B.Y. Morrison has been promoted to head the plant introduction activities of the bureau to succeed Knowles A. Ryerson who became chief of the Bureau on January 1.

MARKETING ACTIVITIES

1934 ★

U. S. Department of Agriculture

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 14, 1934

Vol. 14, No. 11

VIRGINIA WANTS GOVERNMENT
TOBACCO GRADING LAW.

A resolution that Congress enact a law authorizing the Secretary of Agriculture to grade tobacco and to make the necessary appropriation therefor was recently passed by Virginia State Board of Agriculture and Immigration. This action was followed by a resolution adopted by the Virginia Legislature that the representatives of Virginia in the Congress of the United States be requested to endeavor to secure the passage of legislation authorizing the Secretary of Agriculture of the United States, in his discretion, to grade and inspect tobacco and endeavor to secure a sufficient appropriation therefor.

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SAN FRANCISCO MOTOR
TRUCKED UNLOADS INCREASE.

The importance of the motor truck as a carrier of fresh fruits and vegetables again was demonstrated by figures contained in the annual 1933 fruit and vegetable unload report for San Francisco recently issued by the Federal-State Market News Service, George K. York, supervisor. This, in spite of the fact that 1933 was a year of low consumption of fresh fruits and vegetables as reflected in the fact that total receipts at San Francisco by all carriers showed a decrease of 1,940 cars as compared with 1932, and of 2,077 cars as compared with 1931, says Mr. York. Truck receipts showed an increase during 1933 exceeding those of 1932 by 294 cars and those of 1931 by 1,686 cars.

The reason for this situation of lighter total receipts and increased truck arrivals is attributed by the trade to flexibility of truck transportation, according to Mr. York. The truck furnishes a rapid means of transportation and less handling, factors of especial importance in the case of perishable commodities. Other benefits claimed for the truck as a carrier, he says, are direct pick-up in the field and delivery to the door of the wholesale house; also, it has been generally claimed that the truck averages a lower hauling cost than any other means of transportation.

Railroad unloads last year comprised about 26 percent of the total unloads, compared with 32 percent in 1932, and 36 percent in 1931. Boat receipts continued about steady over the three-year period, averaging around 17 percent of total receipts by all carriers. Express unloads were a shade lower in 1933 than in 1932 and 1931 with the general average about 1½ percent of the total receipts for the three years.

NEW YORK DAIRY FARMERS
LOST MONEY LAST YEAR.

New York farmers lost more than 1 cent on each quart of milk produced in 1933, says Dr. Leland Spencer of New York College of Agriculture. If labor is valued at 25 cents an hour, he says, the cost of producing milk was \$2 for each 100 pounds. The average price paid farmers was \$1.45. If all costs except labor were subtracted from milk income for 1933, he points out, the amount left for the farmers' time would be 2 cents an hour. On the same basis, the return for 1932 was 1 cent an hour.

On 33 farms where cost accounts were kept in cooperation with the college, the results for 1932 were less favorable. Dairy men on these farms had an average of 24 cows that produced nearly 50 per cent more milk than the average yield for each cow in the State, and they failed by 11 cents an hour to get any return for their labor. When labor was charged at 30 cents an hour, the accounts showed a loss of 70 cents for each 100 pounds of milk.

Costs of producing milk have gone up considerably in the past year, Dr. Spencer says, estimating that with labor cost at a constant rate of 25 cents an hour, the cost for January 1934 was \$2.30 for 100 pounds compared with \$2.01 in January last year. He says that although milk prices are higher than a year ago, they still must rise about 50 cents more for 100 pounds to give farmers the same 22 cents an hour for labor which was earned by dairy men who kept cost accounts from 1921 to 1926.

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ILLINOIS ALREADY TALKING
TURKEY FOR NEXT CHRISTMAS.

Illinois turkey growers have organized a state association, the chief objectives of which will be quality improvement and consumer education as to quality. The association has elected a president, and later a director will be appointed from each of the five different sections of the state. At a recent meeting of the association, Tom Heitz, Bureau of Agricultural Economics grading and marketing specialist, demonstrated the various grades of dressed turkeys.

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MARYLAND ANALYZES
QUALITY OF CORN.

Continuing the work started in 1932 in the study of sweet corn delivered to factories for canning to determine the quantity of No. 1's, No. 2's, and culls, studies were made in 1933 at the same factories and one additional factory, by Maryland Department of Markets. The study embraced six varieties and showed the average at all factories as follows: 57.2 percent No. 1; 20.2 percent No. 2, and 22.6 percent culls. This was the average taken of corn after being husked. Further investigation showed that at the same factories and for the same varieties an average of 32.9 percent of corn delivered was husk.

WISCONSIN REPORTS NINE DECADES OF PRICES.

Monthly and yearly prices for 34 important Wisconsin farm products from about 1845 to 1933, are presented in a bulletin just issued by Wisconsin Experiment Station. The prices are representative prices paid to producers at the initial sale which is usually at the nearest town market. The data were obtained from newspapers, business and farm records, state and federal departments, and miscellaneous sources. Country weeklies, some dailies, and a few farm papers were the common sources of newspaper quotations.

In a chapter on characteristics of Wisconsin farm prices it is stated that Wisconsin was once an important wheat producing state and that the price of wheat before 1854 was rather discouraging - ranging around 60 cents per bushel with low points in 1851-52 of 45 and 46 cents per bushel. During the middle fifties rather favorable prices obtained, - in fact, after 1852, with the exception of 1858 and 1861, wheat prices were generally favorable until 1870 when the yearly average was 85 cents a bushel. During the next decade or so price variations were rather wide reaching a high point in '77 of \$1.15. From 1877 there was a gradual decline until 1894 when a low price of 51 cents was reached. In common with all agricultural products, wheat prices increased gradually from 1879 until about 1915 after which date the increase was very rapid until 1920.

The Bureau of Agricultural Economics has available a limited number of copies of the bulletin for general distribution.

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APPLE MEN ENDORSE EASTERN APPLE CRATE.

Except for a few minor changes, the eastern apple crate received the almost unanimous approval of the conference of apple association representatives who met at Springfield, Mass., March 6, together with storage men, commercial field agents, state department of market men, and other business and organization representatives.

The size of the crate, as approved last year by this same conference, and the purpose for which it was intended, namely, the jumble pack, were approved. A few changes were suggested in the construction of the crate, and a committee of nine was appointed to confer with box manufacturers, shipping agents, and others in order to decide upon the final shape, construction and other details of the box. The elimination of the corner posts, hand holes in the end, and other features were recommended to help reduce breakage of boxes.

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NEW JERSEY COMPARES EAST AND WEST EGG PRICES.

A comparison between egg prices received by New Jersey poultrymen and those received by Pacific Coast poultrymen shows that the New Jersey producers receive approximately twice as much for their output as do their western competitors, says Alben E. Jones, New Jersey Department of Agriculture. A further comparison shows

that poultry feed prices on the Pacific Coast are practically the same as in New Jersey. Even when allowance is made for the higher labor, tax and overhead costs in New Jersey, Jones says that New Jersey poultrymen are in a much better position to market their product to advantage than are the Pacific Coast producers, who account for much of the competition in the sale of fancy eggs on eastern markets.

During the week of February 7, Oregon poultrymen received 15 cents a dozen for Fresh Extras as compared to 26 and 25 cents per dozen received by New Jersey producers for Fancy and Grade A eggs, respectively. The New Jersey prices are an average of those obtained at the Flemington and Vineland Auction Markets. During the same week, Oregon producers received 13 cents a dozen for Fresh Mediums and 10 cents a dozen for Fresh Pullets as compared to 23 and 21 cents, respectively, received by New Jersey producers.

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MASSACHUSETTS ISSUES

POULTRYMAN'S HANDBOOK.

"The Massachusetts Poultryman's Handbook" compiled by J. Kroeck has been issued by Massachusetts Department of Agriculture. The purpose of the bulletin is to present concise poultry and egg marketing information regarding laws and regulations, standards and grades, and methods of retaining egg quality. Illustrations include a New England Quality Farm Products Label, a Massachusetts Special before a candler, a Massachusetts Extra before a candler, turkey tag, air cell gauge, temperature chart for eggs, plan of construction of an egg candling booth, opened egg showing firm white, opened egg showing weak white, and mesh apparatus for testing egg white. The mesh apparatus, presented by courtesy of the Bureau of Agricultural Economics, shows that a firm white retains its firmness when placed on a wire mesh, whereas a weak white breaks away from the yolk as it passes through the wire mesh, 3 to the inch.

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NEW YORK STUDIES FRUIT

JUICES AND CONTAINERS.

Concentrated apple juice that, when mixed with water, will give a beverage with all of the flavor and aroma of fresh apple juice; the rapid removal of objectionable constituents from grape juice, thus improving the appearance and flavor; and studies on the effects of different colored containers for fruit juices and for sauerkraut juice are described briefly in the annual report of the New York Experiment Station at Geneva recently issued. The studies are part of a research program dealing with the better utilization of farm products. The station has learned that light of any color is deleterious to kraut, that light from the red end of the spectrum darkens apple juice and favorably affects the flavor of the juice, but that light from the blue end bleaches the juice and ruins the flavor; green light affects the color and flavor of apple juice only slightly. Studies are being made also of various cellulose wrappings to determine whether they possess protective qualities.

NEWS BRIEFS

PLANS for the foundation of the Institute of Economics for Women, which will hold three forms for the systematic discussion of the complex problems arising from NRA and AAA for about 100 women have been announced by Rutgers University. The organization of the institute will closely parallel that of the Rutgers Institute of Rural Economics.

JAY N. DARLING of Des Moines, Iowa, has been appointed as Chief of the Bureau of Biological Survey. While Mr. Darling is best known for his world-famous cartoons, he is also recognized as a leader in wild life conservation and restoration activities.

UNITED STATES STANDARDS for grades of canned grapefruit, canned dry beans, and canned apple sauce have been announced by the Bureau of Agricultural Economics. Recent mimeographed reports by the bureau include "Fats and Oils - Statistics of United States Production, Trade, and Consumption 1912-33"; "Alfalfa Hay Management Studies", and "Driven-in Receipts of Livestock, 1933."

SEVERE AND WIDESPREAD DAMAGE to peach trees is reported by Ohio fruit growers. All buds were killed by the sub-zero weather in February, they report, and in many sections of the fruit belt much of the growth layer of wood was badly injured.

COOPERATIVE PURCHASING of farm supplies has grown more rapidly during the past five years than any other form of cooperative activity, says the Farm Credit Administration. The number of such associations is placed at more than 1,600 with a total membership of more than 500,000 farmers doing an estimated yearly business of over \$140,000,000.

CALIFORNIANS ate more than their own weight in meats, on the average, with an estimated per capita consumption of 153 pounds for the State last year, says California Department of Agriculture.

RHODE ISLAND Department of Agriculture recently issued a printed pamphlet giving a report of seed analyses in 1933. The report states that "the quality of seed (last year) was generally of very good quality. The principal violation was the non-statement of noxious weed seed content."

NEW HAMPSHIRE Department of Agriculture will publish again this spring the names and addresses of New Hampshire producers of apple syrup and other maple products, as a guide to consumers and merchants as to reliable sources of these products.

NEARLY A HALF MILLION DOLLARS in old debts have been paid off this winter by Illinois farmers who signed up the AAA wheat adjustment program, if a survey of the use of the first benefit payments made in Mason County may be considered as a barometer for the state, says Marshall Harris, Illinois College of Agriculture.

PROGRESS IN LEGISLATIONAgricultural Appropriations

The Agricultural Appropriation Bill for the fiscal year 1935 passed the Senate on March 14. The Bill carries the same total for the Bureau of Agricultural Economics as that which passed the House, \$4,916,031. This total is the same as the amount which is available for expenditure during the current year, except for a few minor adjustments. It includes funds also for the restoration of 5 percent of the salary reduction on July 1.

Since a number of amendments were made to the Bill by the Senate, it will probably be sent to a conference committee of the two Houses. The Senate Bill carries a total figure of \$1,235,968 below the Budget submitted to Congress in January by the President, but \$1,562,150 above the Bill as passed by the House of Representatives. The principal additions made by the Senate Committee were \$50,000 to the Bureau of Plant Industry for research work relating to the Dutch elm disease; \$300,000 to the Forest Service for forest fire cooperation; \$857,257 to the Bureau of Entomology and Plant Quarantine for research work on cereal and forage insects, cotton insects, Dutch elm disease control and gypsy and brown-tail moth, and \$354,893 for grasshopper control.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A marketing agreement for the bee shippers industry which seeks to improve returns to producers, has been tentatively approved by Secretary Wallace. Nearly 18,000,000 bushels of wheat and wheat as flour were sold for export up to March 1 from Washington, Oregon, and Northern Idaho by the North Pacific Emergency Export Association. Approximately 550,000 corn-hog contracts were signed up to March 1. Secretary Wallace has approved an amendment to the marketing agreement for the California rice industry which provides for a deduction of 40 percent of the price paid to producers instead of the 30 percent deduction provided for in the original agreement.

Secretary Wallace has signed a license for the California asparagus canning industry, which is intended to increase returns to growers by limitation of the 1934 packing season, and restriction of the total asparagus pack for the season. A new milk license for St. Louis, Mo., has been signed by Secretary Wallace, designed to bring order to an area which has been disturbed by milk wars and strikes.

Secretary Wallace has signed two marketing agreements for dark air-cured and fire-cured tobacco. A. H. Lauterbach, manager of the National Cheese Producers Federation, Plymouth, Wis., was made chief of the dairy section of the AAA, March 10. Secretary Wallace has signed a new marketing agreement for the southern rice industry, designed to provide parity prices for the 1934 crop to farmers who cooperate in the crop control features of the agreement.

Farmers with wheat adjustment contracts, who do not plant any wheat for 1934, will not be considered as having violated their contracts, but they will forfeit the 1934 adjustment payments unless they receive waivers granted to cover such non-plantings under specified conditions.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 21, 1934

Vol. 14, No. 12

KOINER REAPPOINTED VIRGINIA
COMMISSIONER OF AGRICULTURE.

George W. Koiner has been reappointed as Virginia Commissioner of Agriculture and Immigration by Governor George C. Peery, the appointment having been approved by both branches of the General Assembly. Mr. Koiner has been commissioner of agriculture for Virginia since 1900, and the new term for which he has been named by Governor Peery is coincident with that of the governor making the appointment. When the Virginia State Constitution of 1902 went into effect, the office became an elective one, and Mr. Koiner continued by vote of the people to fill the office from 1902 to 1928. Under the act reorganizing the state government in 1928 the office again became an appointive one, but the commissioner was to finish out the term expiring February 1, 1930. Completing the term that ended February 1, 1930, Mr. Koiner was appointed by Governor Pollard for a four-year term.

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INTEREST RATES REDUCED BY
FARM CREDIT ADMINISTRATION.

Reduction in interest rate from 4 to $3\frac{1}{2}$ percent on merchandising loans to farmers' cooperative associations, and reduction from 3 to $2\frac{1}{2}$ percent on new loans by the Federal intermediate credit banks have been announced by the Farm Credit Administration. The rate of interest on facility loans granted by the banks for cooperatives remains unchanged at $4\frac{1}{2}$ percent. Lowering of the interest rate on merchandising loans has been made possible by the reduction in discount rate by the Intermediate Credit Banks, and the reduction in rates on new loans by these banks has been made possible by the recent sale of intermediate credit bank debentures bearing a low rate of interest. The issue was heavily oversubscribed.

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CHEESE CANNED BY NEW
GOVERNMENT METHOD.

A method of making natural American cheddar cheese in prints as small as 12 ounces that can be packaged and cured in cans has been developed by the Federal Bureau of Dairy Industry. The green cheese or curd from the press is sealed in the tin container in which it is to be sold, and normal ripening is made possible by a valve in the container which permits the escape of gases that result from ripening but

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Washington, D. C.

prevents the entrance of air. The bureau has applied the new method of packaging cheddar cheese on a semi-commercial scale at the Grove City Creamery at Grove City, Pa., and reports that the product has been marketed in a limited way with favorable results.

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NEW JERSEY CAUTIONS

AGAINST OVER-EXPANSION.

New Jersey peach growers are being cautioned by New Jersey Experiment Station against trying to recoup 1934 orchard losses by raising vegetables. Peach growers of the State have already had their 1934 crop ruined by the extreme low temperatures in February and it has therefore been a natural reaction for them to turn to plans for raising other crops, says the Station. Only the best truck growers on good farms and with extra good yields of quality products have been able to make a good living in growing vegetables the last two or three years, it is stated, and "from present indications of acreages to be planted in vegetables and truck crops throughout New Jersey and other nearby States, and with normal weather and growing conditions, there is no real assurance that profits will be any easier to make in the coming season than during 1933." The Station advises that "farmers who have horses and a cow grow some hay, such as soybeans and sudan grass," and suggests that "one or more members of the family try to find employment off the farm in order to bring in some cash."

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HATCHERY CODE MEANS

BIGGER EGGS, SAYS JULL.

Healthier chicks, bigger chicks, and hens that will lay eggs weighing more by the dozen than those now produced are some of the desirable results to be expected under the new hatchery code, says Dr. M. A. Jull of the U. S. Department of Agriculture. The code provides that commercial hatcheries must not set eggs weighing less than 1-5/6 ounces or less than 23 ounces to the dozen. Experiments have shown that as a rule the chicks hatched from small eggs are smaller than the chicks from larger eggs; also, egg size is inherited, and hens hatched from good-sized eggs will lay eggs larger on the average than the eggs from hens hatched from small eggs.

Poultry specialists of Iowa Extension Service suggest that eggs packed in cases be placed with the large end up in order to help maintain their quality, explaining that immediately after an egg is laid, its contents cool and contract; this causes a separation of the two membranes found immediately inside the shell, usually at the large end of the egg, and an air pocket is formed. After eggs are placed in a case, if the large end is up, the membrane serves as a cushion to absorb shocks. If the small end is placed up and the cases are driven rapidly over rough roads, many of the air cells break loose and the eggs go into lower grades.

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THE TENTH WORLD'S DAIRY CONGRESS will be held in Rome and Milan, Italy, April 30 to May 6.

LIVESTOCK COOPERATIVE
REPORT SALES GAIN.

A million more animals were handled by farmers' cooperative sales agencies operating on terminal livestock markets in 1933 than in 1932, according to the Farm Credit Administration. The value of the 1933 increase in business is placed at \$7,000,000. In all, about 13,700,000 head of all classes of livestock, with a total value of \$135,000,000, were handled by these associations for their farmer members. Increases in the number of hogs and calves sold in 1933 over the preceding year were noted, but fewer sheep were handled than in 1932, and a smaller number of animals were purchased on order.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

Stabilization of the hog cholera serum industry to promote the holding of adequate serum reserves for emergency uses, and to maintain equitable prices to farmers, is sought in the code of fair competition for the anti-hog cholera serum and hog-cholera virus industry, which was signed by President Roosevelt on March 6. A marketing agreement designed to improve returns to California date growers through establishment of a uniform schedule of minimum prices has been given the tentative approval of Secretary Wallace.

The corn-hog production adjustment contract now being signed by farmers is only of one year duration and does not apply to the 1935 or later cropping seasons. A license for the turpentine and gum rosin processing industry was signed by Secretary Wallace, effective March 13. Practically completed preliminary tabulations of the 1934 cotton adjustment sign-up campaign indicate that 15,124,000 acres have been offered for rental in 933,028 reduction contracts examined to March 9. Secretary Wallace has tentatively approved a marketing agreement for Florida strawberry shippers, intended to improve returns to producers through limitation of the grades and sizes that may be shipped.

Butter stocks in storage on March 1 totaled 36,842,000 pounds compared with 75,995,000 pounds on February 1, and a five year March 1 average of 23,187,000 pounds. Secretary Wallace has tentatively approved a marketing agreement for the canned corn industry, in which canners in 23 states would agree to establish minimum prices to growers approaching parity. The time for filing briefs and statements on the proposed code of fair competition for the stockyards operators has been extended to March 26.

More than 750,000 farmers had signed corn-hog adjustment contracts up to March 16. Secretary Wallace has signed a marketing agreement for the fresh asparagus industry of California. Secretary Wallace has approved a 1934 adjustment program for filler and binder types of cigar-leaf tobacco; growers who did not take part in the 1933 adjustment plan will be given an opportunity to sign contracts.

President Roosevelt signed a code of fair competition for the Nation's grain exchanges, on March 20, effective March 31. The code seeks to prevent extreme market fluctuations through maintaining the present limitations on daily price fluctuations, establishment of minimum margin requirements, and increased supervision of the operations of exchanges.

PROGRESS IN LEGISLATIONCattle as Basic Commodity

H.R. 7,478 would add cattle as a basic agricultural commodity to the Agricultural Adjustment Act. This bill passed the House on February 5, and passed the Senate on March 10, with amendments. These were: (1) the inclusion of rye, flax, and barley as basic commodities, (2) additional appropriation of \$150,000,000 which includes payments for removal of diseased cattle, purchase and transfer of dairy cows to farms which do not have dairy stock, purchase of dairy and beef products for distribution for relief purposes, (3) "interest on mortgage indebtedness, taxes, and freight rates shall be included as elements in ascertaining the current average farm price and the fair exchange value of basic agricultural commodities", (4) the addition of "producers" to Sec. 8 and their authorization, as individuals, to enter into marketing agreements with the Secretary of Agriculture, (5) the addition of "grain sorghums" as basic agricultural commodities. No processing tax would be levied to obtain revenue for reimbursement of expenditures herein authorized.

Cotton Control Bill

H.R. 8402, the so-called cotton production control bill, passed the House on March 19, with several amendments. The provisions of the Act apply only to the crop years 1934-35 and 1935-36, with authority of the President to extend the period for another year. It shall be effective only after the finding by the Secretary of Agriculture that two-thirds of the cotton growers and owners of land in cotton favor a levy of a tax on the ginning of cotton in excess of an allotment made to meet probable market requirements. The tax is fixed at 50 percent of the average central market price per pound of lint cotton. Allotments of cotton which may be produced exempt from the tax, according to States and counties, shall be determined by the Secretary of Agriculture. Tax exempt certificates must be procured by producers. The maximum amount of cotton to be harvested in 1934-35 exempt from payment of tax is fixed at 11,000,000 bales.

Farm Surplus Exchange Board

H.R. 7,581, by Representative Dies of Texas, passed the House on March 19. It authorizes establishment of an Agricultural Surplus Exchange Board consisting of the President and the Secretaries of Treasury, Commerce, and Agriculture to negotiate with foreign buyers with a view of selling American agricultural surplus products at the world market price, and to accept in payment therefor silver coin or bullion at such value as may be agreed upon. The Secretary of the Treasury is authorized to issue silver certificates based upon the agreed value of such silver in payment for products sold.

Food and Drug Act

S. 2,800, the new Food and Drug Bill, was reported with amendments to the Senate by the Committee on Commerce, on March 19. Principal differences from the existing law are the elimination of provisions whose terms have compelled the courts to reach interpretations that have afforded avenues of escape for the unscrupulous; extension of provisions to false advertising of harmful or falsely represented cosmetics; amplifications and reenforcement of provisions designed to safeguard public health and promote honesty and fair dealing, and strengthening of procedural provisions better to effectuate its purpose.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 28, 1934

Vol. 14, No. 13

PENNSYLVANIA CANNERY INSPECTION
SERVICE IS SELF-SUPPORTING.

Declaring that its cannery inspection service is self-supporting since all inspectors are hired and paid for by the buyers or sellers of canning crops, Pennsylvania Department of Agriculture reports that last year there were graded in the State 23,000,000 pounds of apples, 307,000 pounds of cherries, 3,400,000 pounds of grapes, 19,000 pounds of raspberries, and 20,000,000 pounds of tomatoes for manufacturing purposes. The service was started experimentally seven years ago.

Farmers who produce fruits and vegetables for canneries and juice plants, it is stated, are paid in accordance with the quality of the loads delivered, rather than by flat rate irrespective of quality. This has placed at least a quarter million more dollars in farmers' pocketbooks than would otherwise have been the case, and has stimulated the production of finer products for manufacture, says D. M. James, supervisor.

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CONNECTICUT SEES FUTURE
EXPANSION OF VEGETABLE GROWING.

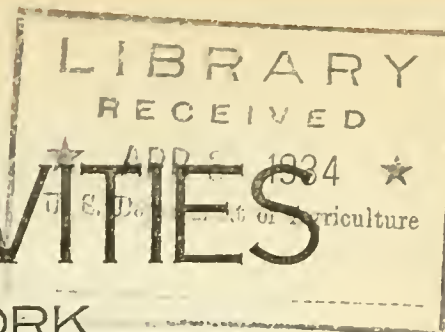
There is every evidence that vegetable growing in Connecticut is to become more extensive from year to year, says Connecticut Department of Agriculture in a pamphlet entitled "Connecticut Vegetable Industry and its Outlook for 1934" just issued.

"Improved highways have greatly extended the trading area and it is not uncommon to find buyers on our markets from Boston and Philadelphia, a condition which was practically unheard of a few years ago," says Sidney A. Edwards, Connecticut Bureau of Markets. He suggests in the outlook report "a comprehensive survey of the vegetable business in Connecticut in order that we may have adequate facts to guide us in our future planning."

"Increased consumer purchasing power is likely to bring improved demand for vegetables the coming season," says Dr. George B. Clarke, Connecticut Extension Service.

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UNITED STATES STANDARDS for grades of canned tomato pulp, and for lettuce, have been issued by the Bureau of Agricultural Economics.



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COOPERATIVE MARKETING RESEARCH TO BE INTENSIFIED.

Plans to intensify the research and service work of its Co-operative Division have been announced by the Farm Credit Administration. Two sections have been set up, one for studying the problems of cooperative marketing and purchasing, and one to make these findings directly available to this type of farmers' organizations. Each unit will be under the direction of a trained administrator.

"The research section," according to Commissioner Frank W. Peck, "will carry on the fact-finding activities of the division. It will make studies of such fundamental problems as capital structure, elements of business management, member relationships, competitive factors, price relationships, and cooperative purchasing methods. Pamphlets, bulletins, and reports will be distributed carrying the findings of the research section as a method of direct assistance to cooperative enterprises. The service and education section will be manned by commodity specialists who will advise with officers and boards of directors of cooperatives and assist them in their particular problems. They will also help the research section in making field studies and will assist in training regional specialists to serve local cooperatives if desired by the regional banks."

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NEW MEXICO STUDIES FARM ECONOMICS PROBLEMS.

New Mexico Experiment Station says in its forty-fourth annual report, just issued, that the work of the agricultural economics department during the fiscal year ended June 30, 1933 has been in connection with projects on the cost of producing and marketing New Mexico fruits and vegetables, farm organization and market outlets in the Middle Rio Grande Conservancy District, determination of the market qualities of New Mexico eggs, and farm organization and management in the Pump Irrigation Districts of New Mexico. A bulletin on "Farm Organization Practices and Costs of Producing Crops in the Middle Rio Grande Conservancy District" has been issued.

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CANADA SAYS "REPPISAL TARIFF" SUCCESSFUL.

By enacting a tariff law of their own on farm products following the passage in the United States of the Hawley-Smoot tariff law in 1930, Canadians gained a favorable trade balance in farm products of \$2,000,000, says Ontario Department of Agriculture in a report that explains, for the benefit of Canadian farmers, how the United States tariff has worked to the disadvantage of agriculture in the United States.

"High tariff rates imposed by the United States," it is stated, "were effective in accomplishing the purpose of shutting out from the United States imports of foreign agricultural produce. Canadian exports of farm products dropped from the sum of \$115,526,695 for the 12-months period ending March 31, 1930, to the small total of \$24,578,425 for

the 12-months period ending October 31, 1933, a decline of 78 percent. In September 1930, the Canadian Government set up heavy tariffs against United States farm products entering Canada, and periodical adjustments have been made as conditions and circumstances called for, with a view of shutting out from Canada, United States farm produce. The success achieved has clearly demonstrated the success of this policy, with the result that imports of United States farm produce declined \$99,000,000 - \$8,000,000 more than the decline in American imports of Canadian agricultural produce."

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IOWA SAYS EGG PRICES
HOLD UP WELL.

Egg prices in Iowa have held up well this year due to the heavy percentage of late pullets in the flocks on the farm and consequent light receipts of fresh eggs on the market, according to the February report of calendar flock owners issued by Iowa Extension Service. The report says that the price of eggs received by calendar flock owners during February last year averaged 10.3 cents a dozen and 16.5 cents in February this year. Flock owners have improved the quality of their pullets, it is stated. The average production per bird during February was 9.9 eggs compared with 8.1 eggs during February last year. Average receipts per bird were 14.3 cents, and average expense 7.4 cents. In the ten high producing flocks the margin of receipts over expense was 14.7 cents per bird.

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POULTRY SPECIALISTS GAIN
ACCURACY IN "CHICK SEXING".

Poultry specialists of the United States Department of Agriculture have acquired an accuracy of more than 90 percent in picking out the pullets and cockerels in a group of newly hatched chicks, according to a department press release. Accuracy of 70 percent was acquired quickly by those doing the work, but much practice was necessary to pass the 90 percent point, it is stated. The department has issued a mimeographed pamphlet on the subject.

Massachusetts Extension Service reports that the science of identifying sex in baby chicks is being taught to small groups of men and women over Massachusetts this spring by Dr. Charles S. Gibbs of Massachusetts Department of Veterinary Science. The Service says that a number of poultrymen in Massachusetts are sexing their own chicks, and are attaining an accuracy of 80 to 90 percent.

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NEW JERSEY CHANGES
JUNIOR FUND LOANS.

Trustees of New Jersey Junior Breeders' Fund have issued new regulations which provide for the making of loans to farm youths for the purchase of day-old baby chicks and for the loaning of as much as \$150 to a boy or girl whose application shows satisfactory qualifications for the purchase and care of a purebred dairy cow that is soon to come into production. The maximum for other loans is \$100. The new regulations also raise the age limit for young men borrowing from the

fund from 21 to 25 and provide that loans can be made through teachers of vocational agriculture as well as through county 4-H Club agents. Previously, the fund made poultry loans only for the purchase of chickens more than 12 weeks old and required that the birds be of any of six standard breeds. According to the new regulations, poultry purchased with the proceeds of a loan may be of any standard breed.

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NEWS BRIEFS

THE SHEEP RAISING BUSINESS is one of the bright spots in California agriculture, according to the annual livestock summary issued at California Department of Agriculture by the Federal-State Crop Reporting Service.

WITH LESS CORN AND WHEAT and fewer hogs to tend, the thousands of Illinois farmers participating in the government's AAA programs will have an opportunity to reduce their operating costs in 1934, particularly in the case of labor and power, says J.E. Wills, Illinois College of Agriculture.

OHIO is a customer of other states for vegetables to the extent of 40,000 to 50,000 refrigerator cars full a year, says A.W. Marion, Ohio Extension Service.

USE of Federal Farm Mortgage Corporation bonds instead of cash in making farm mortgage loans was begun on March 26 by the Federal land banks and the Land Bank Commissioner.

AN ALL-TIME HIGH in the number of dairy cows tested for milk and fat production in New Jersey was set in 1933, reports E.J. Perry, New Jersey Experiment Station.

MIMEOGRAPHED REPORTS recently issued by the Bureau of Agricultural Economics include "Dairy and Poultry Market Statistics, 1933 Annual Summary"; "References on the Handicrafts of the Southern Highlanders"; "The Possibilities of Foreign Cotton Production as Indicated by Conditions in Egypt and the Anglo-Egyptian Sudan"; "Farm Real Estate Taxes in the United States, by States and Geographic Divisions, 1913-1932"; "Estimates of Cash Income from Farm Marketings, Monthly, 1924-1934"; "Production and Carry-Over of Fruit and Vegetable Containers for the Year 1933" "Local Government in New Jersey - A Series of Addresses by T.B. Manny".

"DAIRY FARMERS generally can best accomplish the reduction in output proposed in the tentative dairy program of the AAA by feeding their herds less intensively," says O.E. Reed, Bureau of Dairy Industry. Mr. Reed cites results of experimental feeding work done by the bureau, which indicate that dairy farmers, by feeding less grain and more roughage, may produce less milk and at the same time obtain a greater profit.

FEDERAL CHEMISTS have devised methods for storing turpentine to prevent rapid deterioration in quality.

FARM POPULATION reached an all-time new high record on January 1, estimated at 32,509,000 persons by the Bureau of Agricultural Economics, but the increase is attributed principally to an excess of births over deaths since more people left farms for cities than went from cities to farms last year.

SHIPMENT OF CITRUS FRUIT from the Lower Rio Grande Valley of Texas will cease for the season on April 5.

GOLDEN BANTAM CORN frozen on the cob last summer and cooked on the cob in March was a leader in interest at the annual exhibit by the United States Department of Agriculture of new developments in the preservation of fruits and vegetables by freezing and canning.

WITH MORE MONEY in circulation now than at any time in the past three years and prospects for short crops in certain areas, Illinois fruit growers anticipate larger premiums to be paid for high quality fruit in 1934, says R. S. Marsh, Illinois Extension Service.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A total of 746,476 checks aggregating \$61,771,453 had been written up to March 15 to wheat farmers cooperating in the acreage adjustment program of the AAA.

An adjustment program to increase dairy farmers' income, to hold dairy production at or near the seasonally low levels of recent months until purchasing power in the cities recovers sufficiently so that consumers can buy larger quantities of milk products at better prices, and to provide benefit payments to farmers who agree to cooperate, has been submitted to the dairy industry by the AAA. Additional features of the plan to supplement its production control provisions include relief distribution of surplus milk to underfed children in cities, transfer of healthy cows from surplus dairy areas to needy farm families which have no cows, and provision for eradication of bovine tuberculosis and possibly also Bang's disease. The proposed dairy program is a 165 million dollar plan but it is devised for extension to as much as a 300-million dollar undertaking in event of congressional adoption of pending legislation to aid the dairy and beef cattle industries.

Rules and regulations dealing with definitions, fair trade practices, cost of production and distress sales, advertising, and scope of the code, have been approved by Secretary Wallace for the code of fair competition for the commercial and breeder hatchery industry. Plans for a series of fifteen regional meetings at which the proposed program to aid the dairy industry will be discussed with dairy farmers have been announced by the AAA.

Reports from forty-two States indicate that between 900,000 and 1,000,000 contracts have been signed in the corn-hog adjustment program for 1934.

A license for the milk sales area of Indianapolis, Ind., has been signed by the AAA, effective April 1.

Secretary Wallace has tentative approved and sent to contract-

ing shippers for their signature a marketing agreement designed to improve returns to Florida celery growers through the establishment of a system of orderly marketing for their product. A marketing agreement for the tomato canning industry, designed to improve the returns of producers through a schedule of minimum prices which contracting canners would agree to pay for the 1934 crop, has been tentatively approved.

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PROGRESS IN LEGISLATION

Cotton Production Control

The Senate has passed the Bankhead cotton production curtailment bill providing limitation on the current year's crop of 10,000,000 bales and a prohibitory tax of 75 percent of the market price to maintain the crop limitation. The vote was 46 to 39. The bill as passed by the Senate restricts the operation of the bill to the current year's cotton crop. The measure now goes to conference with the House for adjustment of differences between the two bodies.

Cattle a Basic Commodity

The Senate has adopted the conference report without a record vote on the Connally bill making cattle a basic commodity under the Agricultural Adjustment Administration. The measure as finally agreed to carries appropriations of \$250,000,000 of which \$200,000,000 is to meet the benefits accruing to beef and dairy cattle under the adjustment act pending the returns on processing taxes, and \$50,000,000 for eradication of dairy cattle diseases and purchase by surplus relief corporation of beef and dairy products for relief purposes. The bill as finally enacted authorizes the Secretary of Agriculture to include as basic commodities under the adjustment act rye, peanuts, flax, barley, and grain sorghums in addition to cattle.

Peanuts a Basic Commodity

H.R. 6851, would make peanuts a basic agricultural commodity for the purpose of the Agricultural Adjustment Act. This bill, introduced by Representative Kerr of North Carolina on January 12, was reported favorably to the house by the Committee on Agriculture on March 22.

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"INSPECTION OF UNITED STATES WHEAT Exported Through Canadian Ports" has been issued as Miscellaneous Publication 187 by the U. S. Department of Agriculture.

"CATTLE MARKETING IN NORTH DAKOTA 1929-30-31 and some Factors Underlying Their Production" has been issued as Bulletin 275 by North Dakota Experiment Station.

PLANS for a new type of insulated trackside potato storage building, conical in shape to get the greatest storage space per unit of exposed surface, and with a minimum of openings for leakage of air are being drawn by the Bureau of Agricultural Engineering.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

April 4, 1934

Vol. 14, No. 14

VIRGINIA APPLE LAW IS AMENDED.

The Virginia apple standardization law has been amended in that the Commissioner of Agriculture and Immigration is authorized "to promulgate rules and regulations governing the markings which shall be required upon apples in unclosed packages, and in bulk, for the purpose of showing their grade and/or quality." The amendments provide also that "apples in open packages or bulk, sold, offered or exposed for sale or transported for sale by any person, firm, company or organization that do not meet the requirements of one of the established grades shall carry a sign bearing the word 'culls' in letters as prescribed by the Commissioner of Agriculture and Immigration." The Commissioner is authorized also "to stop trucks, vans or other vehicles upon the highways of the State by any reasonable means as approved by the Highway Commission for the purpose of inspecting any apples that may be transported."

The Virginia Legislature recently passed a bill authorizing the Director of the Division of Markets to cooperate with Federal officials, National, district and State committees and supervisory bodies in establishing and enforcing codes and marketing agreements adopted under the Federal Agricultural Adjustment Act, and a bill to prohibit misrepresentation of the grade, quality and condition of agricultural commodities in newspaper advertisements, over the radio, or by letter, statement, label, or other mark.

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IOWA FARM INCOMES MAKE GOOD GAINS.

An increase in both net farm income and net cash income over 1932 is shown in the report of the North Central Iowa Farm Business Association for 1933 just completed by L. G. Allbaugh, Iowa State College extension economist. The net cash income on 56 farms averaged \$330 as compared with \$260 in 1932 and the net farm income \$2,227 compared with a loss of \$805 the previous year. Net cash income is the figure secured by subtracting cash expenditures from cash receipts. The net farm income also includes inventory changes. Although much of the increase is "paper profit" resulting from increases in the inventory value of grain or livestock on the farm, the inventories were made on a conservative sale price basis and could be realized on if necessary, says the report.

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CALIFORNIA REPORTS ON
ECONOMICS OF BEE INDUSTRY.

The most important factors influencing the price of honey are supply factors, demand factors, and the general price level, says California Experiment Station in a report recently issued on "Economic Aspects of the Bee Industry". During the war period, it is stated, a strong demand for honey, stimulated in part by war-time restrictions on the use of sugar, sent honey prices to exceptionally high levels. With the decline in the general price level in subsequent years and the removal of restrictions on other sweets, honey prices have tended to lower levels. Table honeys, such as orange, sage, and star thistle, according to the report, did not suffer as severe a price decline in post-war years as did honeys which are used to a considerable extent for manufacturing purposes, such as alfalfa and wild-flower honey. Table honeys remained somewhat above other foodstuffs in price until 1930 but have been relatively lower since that time.

The report discusses the development of beekeeping, geographical distribution of beekeeping in the United States, distribution of beekeeping in California, honey production and consumption, prices and purchasing power of honey, domestic trade in honey, export trade in honey, the world honey situation, beeswax production and prices, queen production and prices, package-bee production, cost factors in honey and beeswax production, and turnover in the bee industry.

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EASTERN MILK CONTROL
BOARDS TO COOPERATE.

Secretary Duryee of New Jersey Department of Agriculture has announced that "a program of coordinated effort is gradually being developed between the States of New Jersey, New York, Pennsylvania and possibly other States having milk control boards, as a means of stabilizing the milk sheds of New York, Philadelphia and adjacent consuming and producing areas."

Following a recent meeting, New Jersey Milk Control Board announced that it contemplated making no changes in minimum prices or other regulations in the immediate future.

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PENNSYLVANIA CAUTIONS
FARMERS IN SEED BUYING.

Pennsylvania Department of Agriculture is cautioning all buyers of field seed to buy from reliable dealers within the State and to be beware of cheap seed. The annual seed bill in Pennsylvania is approximately \$5,500,000, according to Dr. E. M. Gress, chief botanist for Pennsylvania. There are more than 2,000 seedsmen in Pennsylvania. Under the Pennsylvania Seed Law, samples are drawn from seeds offered for sale and analyzed for purity and tested for germination. Last year the Seed Laboratory examined approximately 2,500 samples and reported that "wholesale and retail seedsmen are cooperating very well in carrying out the provisions of the Seed Law and farmers are receiving a better grade of seed than ever before." A report giving full details of the inspection work last year may be obtained from Pennsylvania Department of Agriculture.

MINNEAPOLIS REOPENED
FOR MARKET NEWS.

The market news service on fruits and vegetables in Minneapolis has been resumed on substantially the same basis which obtained prior to curtailment last July, under a cooperative agreement between the Bureau of Agricultural Economics and the Minnesota Department of Agriculture, Dairy, and Food. The fruits and vegetables inspection office at Des Moines was closed by the Bureau of Agricultural Economics on April 1, and it is expected that applications for inspection at that point will be attended to from Omaha.

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NORTH CAROLINA LISTS
ECONOMICS INVESTIGATIONS.

Projects in agricultural economics and rural sociology now being carried on by North Carolina Agricultural Experiment Station are as follows:

The relation of farm taxation to farm income; factors which influence the cost of producing farm products; organization and management of farms operated by cropper labor; farm reorganization studies in the Piedmont and Coastal Plain areas; methods and practices employed in the production of cotton, tobacco and other cash crops; the organization and management of commercial peach orchards; the estimation of the grade and staple length of North Carolina cotton; methods of improving the local cotton marketing system in North Carolina; methods and practices of North Carolina cooperative marketing and purchasing associations; the relation of personal, social, and human characteristics of farmers to the operation of their farms and to owner-tenant relationships; farm family social relationships; studies in farm population, farm tenure, and rural migration; studies of rural relief families, and farm tax delinquencies, farm land values and foreclosures. Detailed information on any of the projects may be obtained from Dr. R. Y. Winters, Director of the Agricultural Experiment Station, Raleigh, N. C.

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NEWS BRIEFS

EUROPEAN CONSUMPTION of Indian and Egyptian cotton has increased relatively more than consumption of American cotton, principally because of an unusual price spread in favor of the foreign growths...THE SURPLUS OF WHEAT available for export or carryover as of March 1 in the four principal exporting countries - United States, Canada, Argentina, and Australia - is estimated by the Bureau of Agricultural Economics at 667,000,000 bushels compared with 917,000,000 bushels on March 1 last year... THE INDEX OF EXPORTS of farm products from the United States was 80 for February, against 93 for January, 109 for December, and 71 for February last year....FARM PEOPLE employed by 123 factories in fifteen Eastern, Southern and Central States received \$1,800,000 in wages in 1931; five of the factories paid \$22,000 to farm people for work at home, and the 123 factories paid out approximately \$1,100,000 for raw farm materials used in manufacturing products....A DECREASE of 9 percent in the number of hogs in the United States at the beginning of this year compared with a year ago is reported.

PROGRESS IN LEGISLATION

P.A.C. Act Amended.

H.R. 6525, to amend the Perishable Agricultural Commodities Act of 1930, was passed by the Senate on March 29. The bill had been passed by the House on February 6. The amendments are intended to correct some of the deficiencies in the present law. They were cited in detail in the February 7 issue of "MARKETING ACTIVITIES".

Sugar Beets a Basic Commodity.

H.R. 8861, introduced in the House by Representative Jones of Texas, March 28, would include sugar beets and sugar cane as basic commodities in the Agricultural Adjustment Act. It was reported to the House with amendments on March 29 by the Committee on Agriculture, and was passed by the House on April 4.

Century of Progress.

S. 3235, reported favorably to the Senate on April 2, would amend the act providing for participation of the Federal Government in the Chicago Century of Progress Celebration, so that such participation may be extended to cover the second period in 1934. An appropriation to cover necessary expenses is authorized.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS.

Three major topics to be considered by the International Wheat Advisory Committee at Rome are the steps taken by the various exporting and importing countries to fulfill their obligations under the International Wheat Agreement, whether to extend the character of the agreement so as to establish some system of minimum prices for export sales, and whether to broaden the agreement to provide for additional concerted measures for the increase of wheat consumption.

The revenue from processing taxes on basic agricultural commodities reached a cumulative total of \$216,778,000 on March 1, or more than 53 percent of the sum estimated to be returned during this fiscal year which ends June 30, 1934. Loans made available by the Commodity Credit Corporation to producers at the rate of 10 cents per pound on cotton, and 45 cents per bushel on warehoused corn, reached a total of \$141,482,934 as of March 23.

Cotton producers holding approximately 14,500 cotton option contracts are being reminded by the AAA that these options must be exercised by May 1 or the proper arrangements made for an extension. It is estimated that outstanding options are for approximately 90,000 bales of cotton.

A marketing agreement, signed by 18 contracting tobacco companies, for dark air-cured and fire-cured tobacco, types 21, 22, 23, 24, and 36, has been approved by Secretary Wallace. Licenses for the milk sales areas of Providence, and Newport, Rhode Island, and New Bedford and Fall River, Mass., have been signed by Secretary Wallace.

Loans to farmers on farm warehoused corn at the gross rate of 45 cents per bushel will be available until May 1, 1934. Farmers must actually have signed a corn-hog contract in order to be eligible for a loan.

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April 11, 1934

Vol. 14, No. 15

THE ATLANTIC STATES DIVISION,
NATIONAL ASSOCIATION OF MARKETING OFFICIALS
will hold its next annual meeting at Wash-
ington, D. C., April 27 and 28, 1934.

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HALF AN EGG A DAY IS PER CAPITA CONSUMPTION.

The average annual per capita consumption of eggs from 1925 to 1932 was 183 eggs or an average daily consumption of about one-half egg per person, according to Paul A. Raper, Maryland Extension Service. Mr. Raper says that the most important factors influencing the per capita consumption of eggs are the purchasing power of the consumer's dollar, the relative price of eggs compared to other food products, price and quality. Consumers have become price conscious in the purchase of food, he says, pointing out that many people eat eggs only when the price is low; when the price is high there is a tendency to buy other food products in place of eggs. He says that it is common in most cities to find eggs that are advertised as being strictly fresh to grade no higher than U. S. Trade Dirty or U. S. Standard Dirty, and that so long as this condition continues "we cannot hope to increase the consumption of eggs in the United States." He advocates quality production, proper distribution, and strict grading according to quality, and sale of eggs on the basis of grade to obtain a substantial increase in consumption of eggs.

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NEW YORK MILK COSTS AND PROFITS CITED.

New York State Milk Control Board says in a report just issued that the profits of twenty-one leading milk dealers in upstate cities, not including the Dairymen's League, for the month of August, 1933, were equivalent to about 1/7 cent a quart. This profit would yield a return on the owners' investment in the business, equal to 3.8 percent a year. If good will were included, the return on the remainder of the investment would be 4.9 percent. Considering the changes in gross spread and costs since August, the present rate of earnings probably is higher, says the Board. The report points out that with the exception of producer-distributors and those specializing in Grade A Milk, leading milk dealers in the larger upstate cities are more favorably circumstanced than any other group. In many of the smaller markets upstate, the dealers' spread on Class 1 milk is 1 cent less per quart. In New York City,

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the spread on retail milk is 1 cent larger, but this is scarcely enough to compensate for the extra costs of transportation and distribution, it is stated. Tentative figures concerning the sales, costs and profits of milk dealers both in New York City and upstate cities were given in a preliminary report dated October 17, 1933.

In the survey of twenty-one dealers it was found that the average selling price per quart of milk equivalent was 7.83 cents, which is an average for both wholesale and retail sales and for all products. Average selling prices for the several dealers ranged from 4.31 cents to 10.51 cents a quart. The report was prepared by Leland Spencer.

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RHODE ISLAND WOULD REQUIRE EGGS TO BE SOLD BY WEIGHT CLASS.

All eggs sold to consumers, other than eggs sold direct by producers, should be required to be candled prior to sale to protect both consumers and producers, according to M. H. Brightman, chief, Rhode Island Bureau of Markets, in a statement just issued on the "Marketing of Rhode Island Eggs".

All eggs should be sold according to weight class, clearly defined by legislation, and all egg advertising should state the weight class, such as "large", "medium" and "pullet", he says, adding that all eggs should be sold either in accordance with grades set up by the Rhode Island Department of Agriculture or sold as "eggs", thereby eliminating such useless, meaningless, ambiguous terms as "selected", "henery", "farm", "new", "native", "newlaid", etc. All eggs which are sold, offered or advertised for sale as Rhode Island eggs should in fact be eggs which have been produced within the State of Rhode Island, he says.

Mr. Brightman recommends legislation to cover these four points, and says that "in addition, the poultrymen in Rhode Island should so organize themselves that they might be in a position to sell eggs in such quantity as may be desired by the retail trade."

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PENNSYLVANIA OPENS NEW FARMERS' MARKETS.

Three new farmers' retail markets have been opened during the last six months at Pottsville, Hazleton, and Kingston, Pennsylvania, reports H. A. Hanemann, Pennsylvania Department of Agriculture. The consuming public of the three cities, although not accustomed by habit to the patronage of farmers' markets, he says, have enthusiastically received the new markets, and the volume of business thus far has exceeded expectations. There are now 133 farmers' markets in Pennsylvania, thereby affording direct marketing of an important percentage of the State's farm products. Seventy-three of the markets are enclosed where most of the products are sold at retail, and the remainder are either open or curb markets where wholesale and retail transactions are made.

NORTH DAKOTA WHEATINCOME TO SHOW INCREASE.

Sales of wheat by North Dakota farmers in the current season, July 1, 1933 to July 1, 1934, will be only about four-fifths the sales of last season, but the return to farmers, along with adjustment payments, will be nearly double, says Dr. H. L. Walster, North Dakota Extension Service. North Dakota farmers from July 1, 1932 to July 1, 1933 sold nearly 94,000,000 bushels of wheat and their income from it was slightly more than \$34,000,000. For the marketing year of July 1, 1933 to July 1, 1934, the wheat marketings by North Dakota farmers are estimated at about 74,000,000 bushels, with a market return of about \$49,000,000 plus adjustment payments that will bring the total to approximately \$63,800,000.

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HOUSEWIVES COULD SAVEON COOPERATIVE MILK BUYING.

Any municipality or cooperative group could buy and distribute its own supply of milk at a saving of approximately two cents a quart, according to Dr. James E. Russell of the New Jersey Milk Control Board. Although milk may be bought for five or five and a half cents a quart from the farmer, the distributor must count on an additional cent a quart for transporting it from the country to the city, a cent for bottling, and approximately four and a half cents for taking the milk after it is bottled to the door step of the consumer, he explains. One hundred or more housewives living in the same neighborhood, he says, could cut the four and a half cent distribution cost to two cents if they were to hire someone to go to the wholesaler each day for their milk and deliver it.

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THE MINIMUM AMOUNT that may be loaned from the emergency crop loan fund has been reduced from \$25 to \$10, the Farm Credit Administration has announced. The maximum to any one individual is \$250.

FARMERS IN EASTERN NEW MEXICO are becoming more interested in producing certified crops of seed, says G.R. Quesenberry, New Mexico Extension Service. The supply of certified broomcorn seed is especially scarce and high in price, he says.

THE FIRST SHIPMENT of eggs from an Illinois egg-buying station, under official government grading, have been inaugurated in Effingham County, with the Farmers' Equity Union there adopting U.S. standards for packing and shipping to the New York market, according to H.H. Alp, Illinois Extension Service.

KENNETH S. MORROW has resigned as associate extension dairyman of New Jersey Experiment Station to become head of the dairy department of New Hampshire Agricultural College and Experiment Station.

PROGRESS IN LEGISLATIONCattle as Basic Commodity.

H.R. 7478, to amend the Agricultural Adjustment Act to include cattle, peanuts, rye, flax, barley and grain sorghums as basic agricultural commodities, was signed by the President on April 7.

Cotton Production Control.

H.R. 8402, the cotton production control bill which has passed both the Senate and House, is still in Conference Committee of the two houses. The conferees have not yet settled differences and reported back.

Farm Surplus Exchange Board.

H.R. 7581, the Dies bill, was reported to the Senate Committee on Agriculture and Forestry on April 11. The bill passed the House on March 19. It authorizes the establishment of an Agricultural Surplus Exchange Board to negotiate with foreign buyers for the sale of American agricultural surplus products, and to accept silver in payment therefor.

Tariff on Coconut Oil.

H.R. 7834, on internal revenue taxation, has been discussed in the Senate for several days. On April 11 the Senate rejected an amendment offered by Senator Harrison, which would exempt from duty coconut oil of Philippine origin brought into the continental United States. The Senate later approved a tariff on coconut oil. Those opposing the levy did so in the belief that it violates the spirit of the Philippines Independence Act, recently passed.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A milk license for the Detroit, Michigan, sales area was signed by Secretary Wallace, effective April 1. Amendments to the original licenses for the milk market areas of New Bedford and Fall River, Mass. and Providence and Newport, R.I. were signed by Secretary Wallace, effective April 1. The license for distributors of milk in the Detroit, Michigan, milk shed which went into effect August 23 last, was terminated as of April 1. A license for the milk market of Greater Kansas City, Kans., was signed by Secretary Wallace, effective April 1.

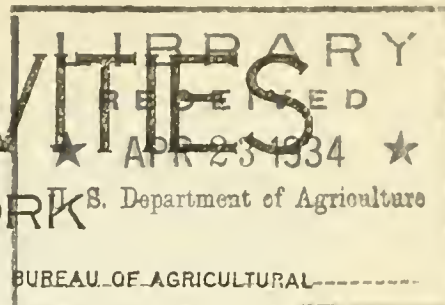
Recent action by the German government to restrict substantially the imports of lard in 1934 tends further to establish the necessity for the adjustment of hog production in the United States this year, says the AAA. A survey of consumption of milk by school children in 50 selected cities is to be made by the AAA in an effort to get an accurate picture of the extent to which children are receiving or failing to receive this essential food.

The claim of John Brandt, president of the Land O'Lakes Creameries, Inc., for an additional payment of \$80,838.40 claimed due as compensation for overhead costs in connection with the butter stabilization operations last fall has been referred to the Comptroller General of the United States for review and settlement.

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Vol. 14, No. 16

TRI-STATE MILK CONTROL
COMMITTEE IS APPOINTED.

Milk control officials of New Jersey, Pennsylvania and New York have appointed a committee to promote the coordination of milk prices and general regulations on the purchase and distribution of milk in the three states. Following a recent meeting of control officials, a statement was issued that these officials are in favor of adjusting milk production to demand by imposing strict regulations on the importation of cattle into the three states from the West and by placing a low price on milk in excess of the normal quantity. The officials expressed the belief that it is not possible to remove certain quantities of milk arbitrarily from the market in fluid milk areas without upsetting the normal action of the law of supply and demand.

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CALIFORNIA STUDIES COMPULSORY
PRORATION IN MARKETING.

Reporting the results of a study of the economic and legal aspects of compulsory proration in agricultural marketing, E. A. Stokdyk of Giannini Foundation, in a bulletin issued by California Experiment Station, says:

"A number of groups of agricultural producers have endeavored to limit competition by restricting the volume marketed in the primary channels of trade in periods of excessive supplies or low consumer purchasing power or both. One of the fundamental weaknesses of their attempts has been that nonparticipating producers derived more than an equitable share of the benefits of such action. This situation has caused abandonment of several of such programs, but has raised the question of the desirability and feasibility of making participation in them compulsory if the bulk of the producers desire to engage in shipment limitation and if such compulsion is essential to the welfare of the industry.

"Three distinct administrative set-ups have been proposed to make compulsory restriction of shipments effective: (1) placing the production and marketing of certain agricultural crops under public-utility regulation, (2) making marketing through one agency mandatory, and (3) giving a governmental agency the power to administer proration programs. At the present time, it is probable that the courts would consider the third proposal more favorably than either the first or the second."

Chapters in the bulletin deal with proposals for effecting pro-

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ration, probable legal status of proration in agricultural marketing, attempts to increase returns through voluntary proration programs, problems of administration of compulsory proration programs, and appraisal of the desirability and feasibility of proration programs. Copies of the bulletin may be obtained from California College of Agriculture. .

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"FRESH" EGGS BILL INTRODUCED
INTO NEW JERSEY LEGISLATURE.

A bill recently introduced into the New Jersey Legislature would define exactly the use of the term "fresh" as applied to eggs. The proposed law would make it illegal in New Jersey to use the word "fresh" in connection with eggs, unless the eggs meet requirements identical with those now being sold from the auction markets as New Jersey Fancy or New Jersey Grade A. The bill protects the quality standards but does not prohibit the sale of eggs of equal quality in the smaller sizes, such as medium, pullet, and peweese. These are sought after largely by families of limited income, especially during the high price period for the larger sizes.

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NEW HAMPSHIRE REVISES
GRADES FOR POTATOES.

Revised potato grades have been announced by New Hampshire Department of Agriculture, effective May 1. The grades are N.H.-U.S. No. 1, N.H.-U.S. Commercial, N.H.-U.S. No. 2, and N.H.-U.S. Fancy. There is a size classification for all grades except N.H.-U.S. Fancy. Provision is made for Size A and Size B, and when either of these designations is not used in connection with the grade statement it is permissible to specify any other minimum size such as $1\frac{1}{2}$ inches minimum, 2 inches minimum, or both a minimum and a maximum size as $1\frac{7}{8}$ inches to 3 inches, or to specify a certain percentage over a certain size, as 25 percent or more $2\frac{1}{4}$ inches and larger.

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OHIO REPORTS MANY
MORTGAGE FORECLOSURES.

The peak in mortgage foreclosures in Ohio was reached in mid-summer of last year, according to R. H. Moore, Ohio Extension Service. About 42 farms, or 4,000 acres, a county were lost to their owners in 1933, he says, the total including farms voluntarily assigned to creditors in addition to foreclosure sales. Foreclosure sales averaged about 110 a year for the entire state in the period 1910-14, or a little more than 100 acres per county. From 1920 to 1924 about 5 farms per county were foreclosed each year. From 1925 to 1929 between 9 and 10 were foreclosed each year in the typical Ohio county, or ten times as many as during the period of 1910 through 1914. In 1933, the peak year, between 1,400 and 1,500 farms were foreclosed, an average of 16 farms per county. For every 100 farms sold by foreclosure in 1933, it is estimated that 169 farms were deeded voluntarily to financial institutions by owners who would rather not undergo foreclosure.

CALIFORNIA REPORTS ON
PART-TIME FARMING STUDY.

One hundred fifty-seven part-time farms in the San Francisco Bay region and the Los Angeles metropolitan area have been studied by R. L. Adams, University of California, to obtain a cross-section of the 8,525 farms of this type in California, the operators of which divide their time between farming and doing other work. The farms range all the way from one lot to 82.3 acres, most of the tracts being 10 acres or less. In 1932, the total value of the products produced on the 157 farms was \$123,000, of which \$109,000 was sold to other consumers. For the group of 157 part-time farms studied, the total number of work hours during the year was 213,000, which meant that the operators grossed about 60 cents an hour for their labor returns. The purchase price for the 157 tracts was \$949,000 which, together with equipment and additional improvements, would bring the total valuation in excess of \$1,000,000. For the most part, operators of these part-time farms are middle-aged men, ranging from 40 to 55 years; the individual farms support families ranging from 1 to 10 persons. The survey disclosed 89 different occupations and professions among the operators, ranging from attorneys to ditch tenders.

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NEW YORKERS ARE
DRINKING MORE MILK.

The decline in individual milk consumption in the New York market, which began in 1931, was apparently halted last July, according to Leland Spencer, New York College of Agriculture. Total milk receipts for July, 1933 were 11 percent less than for July, 1929. Cream receipts were 23 percent less. Receipts of both milk and cream for each month since July, 1933 have shown relative gains, although total consumption is still slightly below that for corresponding months a year ago. Dr. Spencer says receipts of milk and cream, after adjustments for changes in storage holdings of frozen cream are made, offer reliable indications of changes in consumption. Because of the high cost of transportation, neither milk nor cream is shipped to the city except as needed for use in fluid form or in the manufacture of ice cream, he says. Surplus milk is manufactured into butter, cheese, and other non-perishable products at country plants in the production areas upstate. Consumption of milk and cream was $1\frac{1}{2}$ pints daily per capita in the New York market in 1929; last year the per capita consumption was slightly more than 1 pint.

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VITAMIZED HOT DOGS have been banned from California markets under California Meat Inspection Regulations. The process consists of incorporating so-called "sunshine" into meat and meat food products by the addition of certain substances supposedly containing Vitamin D. California officials opine that the little pigs in that State get enough natural sunshine without having to incorporate it artificially into breakfast sausage.

TENTATIVE U.S. STANDARDS for grades of canned pumpkin and squash have been issued by the Bureau of Agricultural Economics.

PROGRESS IN LEGISLATIONCotton Control Bill

H.R. 8402, the cotton production control bill, has passed the House and Senate, has been signed by the Speaker and the Vice-President, and now awaits the signature of President Roosevelt.

Commodity Divisions

S. 2899, introduced by Senator Smith on February 26 was reported favorably to the Senate on April 13 by the Committee on Agriculture and Forestry. The bill would establish in the Department of Agriculture certain commodity divisions to which would be transferred all duties and functions now exercised by the department in respect of the commodity as to which each respective division would be established. The proposed divisions are livestock and poultry, cotton, grains, hogs, dairying and dairy products, and tobacco.

Milk Industry Investigation

S. Res. 168, "to investigate the milk industry", was reported to the Senate on April 11. It broadens the authority to investigate conditions with respect to the sale and distribution of milk, cream, ice cream, and other dairy products within the territorial limits of the United States with the view of determining particularoy whether operations are being conducted in such manner as to lessen competition or tend to create a monopoly in the sale or distribution of such dairy products*** the investigation to be conducted by a special committee of five Senators.

P.A.C. Act Amended

H.R. 6525, to amend the Perishable Agricultural Commoditiex Act, was signed by the President on April 13. (The Bureau of Agricultural Economics will issue regulations under the amendments which are designed to strengthen the Act).

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

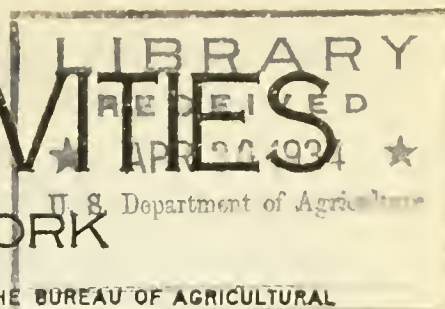
Suspension of the license governing the purchase and distribution of milk in the sales area of New Orleans, La., until such time as greater unanimity between various producer groups can be secured went into effect April 14. Adjustment payments of 28 cents a bushel, added to the average farm price of wheat, are giving farmers cooperating in the wheat program of the AAA, within a few cents of the parity price on their farm allotments, the AAA said on April 11.

A preliminary conference of representatives of the beef cattle industry and of the AAA will be held at Chicago, April 26, for the purpose of initiating action on a beef cattle production adjustment program. A code of fair competition for the live poultry industry of the metropolitan area of New York, designed to eliminate monopolistic trade practices which tend to increase prices to consumers and decrease returns to producers, has been approved by President Roosevelt.

Secretary Wallace has approved the declaration of the California rice crop control board that a plan to curtail production in 1934 should be placed in operation under the provisions of the marketing agreement for the California rice industry entered into last fall by all rice millers and a number of growers' associations.

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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK



A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

April 25, 1934

Vol. 14, No. 17

CALIFORNIA TO CONTINUE FRUIT INSPECTION CERTIFICATION.

Inspection with a view to certification of all shipments of pears and apples packed in California for out-of-state destinations will be continued another year by officials of the Division of Chemistry, California Department of Agriculture, in order that none may be shipped that do not meet all federal and state restrictions as regards chemical treatments, the department has announced. Representatives of the pear and apple growing industries, meeting at Sacramento recently, approved the collection of funds from them with which to pay the expense of the work for the 1934 season. The certification service is self-supporting and involves no public expense.

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MINNESOTA URGES THAT EXPORT MARKETS BE "RECAPTURED".

Permanent recovery of American agriculture necessitates selling its surplus abroad, and farmers should begin at once a determined fight to recapture their export markets, according to Dr. A. A. Dowell and Dr. O. B. Jesness of Minnesota Department of Agriculture in a book "The American Farmer and The Export Market", recently published.

The authors point out that from 1920 to 1930, an average of practically 60,000,000 acres annually were engaged, directly or indirectly, in the production of farm commodities for export. Dealing one after another with several alternatives possible in disposing of or eliminating the surplus production, the writers conclude that no alternative save the reopening of export markets promises anything like a satisfactory solution.

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MASSACHUSETTS ANALYZES BOSTON'S FOOD SUPPLY.

What states fill Boston's beanpot, what countries fill her sugar bowl, who churns the butter for her rolls, whence come the strawberries for her January shortcake, what apple trees fill her pies, whence comes the beef for her stew, the cream in her coffee, where are her potatoes dug? The answers to these and hundreds of similar questions are contained in a mimeographed bulletin - "1933 Receipts and Sources of Boston Food Supply" - recently issued by Massachusetts Department of Agriculture. Write that department for copies.

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IOWA SEES LESS THAN
USUAL CORN PRICE RISE.

Barring floods, earthquakes or grasshopper plagues, the chances are three out of four that the price of corn will not rise through the coming summer as much as it usually does, says Prof. G. S. Shepherd, Iowa Extension Service, adding that Iowa farmers who are holding corn not under seal on their farms in the hope of higher prices by August may not gain much; in fact, they may not even break even.

Prof. Shepherd says that history indicates that in years following small corn crops the price on the grain does not usually rise enough through the year to pay the cost of carrying it over to summer. The nation's corn crop was about 10 percent smaller than average last year although Iowa harvested a crop slightly larger than usual.

Chances are three out of four that crop conditions for the country will be better this year than last, he says.

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FOREIGN GRAPES CAN
BE IMPORTED NOW.

Grapes from regions in foreign countries where the Mediterranean fruit fly occurs, which have been excluded from the United States by Federal plant quarantine laws since 1923, may now come in, under permit and after sterilization, at New York and any other northern port that may later be approved, the Federal Bureau of Plant Quarantine has announced. Recent experiments by the bureau have demonstrated that all stages of the Mediterranean fruit fly in grapes can be destroyed by exposing the fruit to a reduced temperature for a certain period. Storage tests on certain varieties of Vinifera grapes grown in the United States indicate that this sterilization does not injure the fruit if the prescribed temperature is carefully maintained.

As a condition of entry, the foreign grapes must be packed in tight barrels, kegs, or other approved containers so constructed as to prevent the escape, pending sterilization, of any stage of this fruit fly, if present. The fruit must be sterilized within 24 hours after unloading.

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ILLINOIS SEES POULTRYMEN
IN MORE FAVORABLE POSITION

Four important factors indicate that Illinois poultrymen may find themselves in a more favorable position financially during coming months than at the same time last year, says H. H. Alp, Illinois College of Agriculture. Storage holdings of shell eggs contain a note of improvement in that stocks are 30 percent less than a year ago, and the movement of eggs into storage is reported to be slower than the five-year average, he says, adding that production has been unsteady and many hens have been marketed. Egg prices to date have encouraged rather free selling which has resulted in a fairly good consumer demand, he says and concludes with the statement that "although prices of grains needed to feed poultry have advanced materially since this time last year, a flock of good hens will return a greater income above feed cost than they would have last year."

OHIO TAFULATES TAX
DELINQUENCIES IN STATE.

Extent of tax delinquency in rural areas of 19 Ohio counties ranges from 10 to 33 percent, as revealed by a census of tax returns now being compiled by H. R. Moore, Ohio Experiment Station. Tax delinquency in the counties rose steadily from 1928 to 1932. The extremely high rate of delinquency in some of the counties is contributed to by the high assessment rates in some areas. Tax returns on the 1932 levy, which is paid in 1933, showed on analysis the following percentage of the area is delinquent: Pickaway county, 26 percent of the total area outside corporate limits; Auglaize, 11 percent; Noble, 18 percent; Hardin, 15 percent; Guernsey, 16 percent; Fayette, 14 percent; Madison, 29 percent; Wayne, 17 percent, and Shelby, 10 percent. Crawford, 15 percent; Highland, 15 percent; Monroe, 20 percent; Holmes, 8 percent; Butler, 23 percent; Warren, 27 percent; Williams, 10 percent; Union, 15 percent; Paulding, 20 percent, and Lorain, 33 percent.

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TENTATIVE STANDARD GRADES for Connecticut Valley-shade-grown tobacco, U. S. Type 61, have been issued by the Bureau of Agricultural Economics.

APPROXIMATELY \$1,100,000,000 was loaned by all institutions under the Farm Credit Administration from May 1, 1933 through April 13, 1934, the FCA has announced.

TENTATIVE U. S. STANDARDS for grades for live poultry have been issued by the Bureau of Agricultural Economics. They are grades A, B. and C.

"RELATION OF THE QUALITY OF COTTON PLANTING SEED TO LENGTH OF STAPLE is the title of a leaflet recently issued by North Carolina Experiment Station.

NEW YORK EXPERIMENT STATION has issued a report on tests of samples of vegetables seeds purchased in the open markets of the State by an official seed inspector during the planting season of 1933.

"CARLOT UNLOADS OF CERTAIN FRUITS AND VEGETABLES IN 66 CITIES, 1933", has been issued by the Bureau of Agricultural Economics.

RECENT NEWS RELEASES of the Bureau of Agricultural Economics state that storage and speculative demand for butter this year will probably be lower than last year, that farmers' cash income in March was \$417,000,000 against \$275,000,000 in March last year, that farmers in the Imperial Valley in California are planning to plant 50,000 acres to flaxseed this fall compared with 11,500 acres last fall, that the exportable surplus or carryover of wheat on July 1 in the four principal exporting countries will be at least 100,000,000 bushels under the same date a year ago, that domestic slaughter supplies of hogs will be somewhat smaller this summer than last despite prospects for relatively large marketings of sows, and that Europeans are eating more butter and less oleomargarine as a result of low butter prices in world markets.

PROGRESS IN LEGISLATIONWould Investigate Futures Markets

H.Res. 331, introduced by Representative Barley of Texas on April 13, would authorize the Speaker of the House to appoint a committee of five members to make a complete investigation of futures markets, and cost of maintaining system of dealing in wheat futures and cotton futures in the United States. Other features of dealing in futures, - costs, profits, etc., - are included. .

Sugar Beets as Basic Commodities

H.R. 8861, which would include sugar beets and sugar cane as basic agricultural commodities under the AAA, is in conference committee, having passed both the Senate and the House. The conference report has been agreed to in the main by the House and Senate but the wording of one amendment has yet to be determined and accepted.

Commodity Divisions in Agriculture

S. 2899, to establish in the Department of Agriculture certain commodity divisions to which would be transferred all duties relating to such commodities, passed the Senate, without discussion, on April 25.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

Membership of the control committee and the proration committee chosen by California fresh asparagus growers and canners to administer the marketing agreement for the industry, which was made effective March 17, has been formally approved by Secretary Wallace.

Secretary Wallace announced on April 19 that "the real cause of the break (in wheat prices) is that we have in prospect a winter wheat crop 140 million bushels in excess of last year and sooner or later it was inevitable that Chicago and Liverpool wheat prices would work closer together. It is fortunate that the break took place at a time of year when the farmers had very little wheat on hand."

Secretary Wallace has announced that the marketing agreement with the distilled spirits industry was terminated by the industry on April 18.

A schedule of minimum sale prices for Connecticut Valley shade-grown tobacco which is expected to give growers returns of approximately 90 percent of fair exchange value, or an increase of 25 percent over prices of last season, has been approved by Secretary Wallace.

Rental and benefit payments totalling \$170,702,687 had been distributed to 1,862,532 farmers participating in the wheat, cotton, and tobacco adjustment programs of the AAA up to April 1. A code of fair competition for the linseed oil manufacturing industry has been signed by President Roosevelt, effective April 30.

The AAA has announced State allotments of the number of bales of cotton which each State may market tax free under the provisions of the Bankhead Bill.

The AAA will not undertake a benefit payment dairy production control program for the present at least, the AAA has announced.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 2, 1934

Vol. 14, No. 18.

MARKETING OFFICIALS, ATLANTIC STATES DIVISION, MEET IN ANNUAL SESSION

Officials from Eastern States Discuss Marketing Agreements and Codes, Consumer Grades, Egg Standards, Farm Credit, and Marketing Legislation.

Current developments in marketing farm products, ranging from marketing agreements under the AAA to the extension of farm credit by Government agencies, were discussed at a two-days' meeting of the Atlantic States Division, National Association of Marketing Officials, in annual session at Washington, D. C., April 27 and 28.

Speakers included Nils A. Olsen, chief of the Bureau of Agricultural Economics, who described recent developments in agricultural research, service, and regulatory work by that bureau; Wells A. Sherman of the Bureau of Agricultural Economics who described potato marketing plans now being developed in Southern States; Earl R. French of the Atlantic Commission Company who explained the market reporting service of that company, and Carl Kimball of New York Department of Markets who told of recent New York developments aimed at "taking the rackets out of the food handling business."

Recent developments in egg standardization were discussed by Prof. H. E. Botsford of Cornell University; the Northeastern States Association of Egg and Poultry Distributors, by Alben E. Jones of New Jersey Bureau of Markets; uniform state egg laws by Roy C. Potts of the Bureau of Agricultural Economics; egg marketing by Sidney Edwards of Connecticut Bureau of Markets; fitting standard grades to consumer demands by Leroy Peterson of the Consumers' Council, AAA; recent and proposed state and federal marketing legislation by J. H. Meek, Virginia Division of Markets; agricultural credit developments by Governor William I. Myers and Commissioners of the Agricultural Credit Administration, and the relation of the agricultural adjustment program and state marketing work by H. R. Wellman, General Crops Section, AAA.

Federal Agricultural Service Expanded

The personnel and resources of the Crop Estimating Division of the Bureau of Agricultural Economics have been practically doubled by the "enormous draft that has been made upon the division by the AAA," Mr. Olsen said, describing the development of production estimates by counties as a basis for AAA production programs. The market

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news service of the bureau has been "tied in" with several marketing agreements under the AAA, he said, and as activities under marketing agreements are expanded it is expected that the market news work will be "stepped up". The bureau's standardization and certification work has attracted especial attention by widespread interest in the development of consumer grades, and "although we would like to go through with this universal standardization", Mr. Olsen pointed out that the preparation of standards takes a "long time"; also, he raised the question as to whether the voluntary approach "which has been so satisfactory should be set aside for compulsory standards."

No new regulatory legislation is being administered by the bureau, but Mr. Olsen pointed to the possibility that certain types of regulatory activities may grow out of the marketing agreements. Discussing research work, Mr. Olsen said that many questions are being raised regarding the distribution of farm products and "we have devoted some additional resources to a study of margins". He said that studies of price spreads and the reasons therefor will be useful in appraising the efficiency of the present marketing organization. He declared that he is "convinced that the work in price analysis is indispensable in any real planning, and I am hopeful we will be able to work out great intensification of that work.***Some of the basic things we have been doing still remain basic."

Potato Growers Want Marketing Agreement

Potato people in the territory from Savannah up to Chesapeake Bay are showing "very great interest in getting together under a marketing agreement," reported Wells A. Sherman of the Bureau of Agricultural Economics, adding that "Florida is making some money this year" with the result that there is little interest in marketing agreements in that State, and that "on the Eastern Shore of Virginia, 75 percent of the prospective tonnage is in four hands; they have no agreement and will indulge in an old-fashioned competitive marketing effort. Maryland counties have only about 1,500 cars in prospect; they would like to be in but they represent such a small percentage of tonnage there is no justification for an agreement unless a large part of the Ohio and Missouri Valley districts should come in."

Mr. Sherman said that "more potatoes are coming out of the Southeast in bags this year than ever before", and reported that South Florida is getting higher yields per acre than any of the Great Lakes States, - from 200 to 300 bushels to the acre. "This means," he declared, "that the South Florida people do not have to get premiums overgoing marketing prices, and can compete with any district shipping potatoes out of storage. The bulk of the Florida potatoes are washed. It is inevitable," he concluded, "that the Northern edge of the potato map is going to produce less potatoes as time goes on."

Market News by Teletype

The teletype market news service of the Atlantic Commission Company was described by Earl R. French of New York. Thirty-two terminals or sales offices, from Kansas City to Boston, and Atlanta in the South, are tied into the system the year around; the offices are divided into

circuits with an average of about five offices to the circuit. All circuits are connected at relay points. Field or shipping point offices are connected during the heavy shipping season. The constant mileage of the teletype system is 3,300 miles. Mr. French said the teletype system is more economical than the use of commercial telegraph and permits the dispatch of more complete market news among the company's offices. The system is primarily for the use of the company and its trade connections, but independent shippers also may obtain market reports, by telephonic request.

Federal Egg Grades

There was much discussion of changes recently made in Federal egg grades, representatives of Eastern States taking the position that the grades have been lowered by inclusion of the "tremulous air cell" provision, and the Federal standardization officials holding that the presence of a "slightly tremulous air cell" does not lower the quality of eggs.

Prof. H. E. Botsford of Cornell University said: "Tremulous air cells are an indication of lower quality in the summer. Warm weather hastens deterioration. Hence, as the general quality of the pack becomes poorer, correspondingly more of the tremulous air cell eggs show a Standard condition of the yolk and white. Tremulous air cells accompany lower qualities otherwise more frequently than not. In view of the change in the Federal standards of quality there may be a temporary speeding up in the number of lower qualities coming East. A precedent is established for changing the wording of grades to let more eggs sell under a higher grade. There will be persistent efforts to have the States change their grades to conform with the United States revised standards. If we should change our egg laws to conform to the Federal standards the producer of high quality eggs would be penalized."

Robert R. Slocum of the Bureau of Agricultural Economics declared the bureau's research has demonstrated that "other things being equal there is no difference in the quality of an egg that has a slightly tremulous air cell and one that has a firm air cell."

Sidney Edwards of Connecticut Bureau of Markets declared that the Northeast has constantly opposed the inclusion of tremulous air cells, in Government standards. At the end of the meeting Eastern States marketing officials signed a letter to the Department of Agriculture requesting "a re-consideration of these changes which will afford an opportunity for further unbiased research and the presentation of all scientific material which will justify any changes (in the Federal grades)."

Northeastern States Egg Association

Alben E. Jones of New Jersey Bureau of Markets described the organization of the Northeastern States Association of Egg & Poultry Distributors, which is composed of cooperative associations and auction markets. The objectives of the Association are to support and aid the "egg quality program" cooperatively, to work with the AAA, and work closely with consumers. He said: "We have put across a program of

inspection and grading by producers of the Northeast, that is unequalled in the country today. The price structure built on New Jersey auction markets is forcing metropolitan centers to buy on a quality basis. Our product commands approximately the highest price on the New York market. If there is to be a code under the AAA, the Northeastern Egg Association should insist that definite grades and standards be included."

Consumer Grades

Leroy Peterson of the Consumers' Council, AAA, said "there are about three things you can do for consumers in a code. Consumers have the right to know what they are buying. That would call for standards and grades and specifications in articles sold through codes; second, the elimination of all possibility of price fixing; third, the right of consumers to be represented on the code authority. In most of the NRA codes there is very little significance given to grades and standards. In all food codes there is some semblance of grades and standards." Mr. Peterson suggested that State officials tie up with women's clubs and other groups of consumers with a view to getting State laws passed on consumer standards and grades. He said that "recently at the canners' hearing we formed a consumers' lobby to tell canners women felt they ought to know what they are buying; effort should be made to push this."

Uniform State Egg Laws

Roy C. Potts of the Bureau of Agricultural Economics cited the many different kinds of egg laws in the States, and declared that "one of the greatest needs is a model, uniform State egg law. The objectives of such a law would be to reflect to the producer, by payment on a graded basis, the full market value of each grade of eggs he sells; to assure to the consumer that the eggs that he or she buys are of the grade or quality desired and stated on the package, and to eliminate the possibility of fraud by misrepresentation or adulteration. These objectives should tend to encourage the production of better quality eggs, to eliminate unfair competition, to reduce costs of distribution, to increase consumption, and to make possible a larger poultry industry. A model State egg law should contain a provision establishing uniform standards of quality for individual eggs, and a provision for uniform classes and grades for eggs. States must decide whether the grades should be mandatory. The law should contain a prohibition of fraud, misbranding and adulteration. Adequate funds should be provided for enforcement."

Egg Marketing

Sidney Edwards of Connecticut Bureau of Markets said "the Northeastern States Association of Egg & Poultry Distributors will become a potent factor in matters of legislation and grades***there should be no conflict between Federal and State standards***I do not think any of us want to see the standards lowered***the difficulty I see in the matter of grades in codes is that provision for supervising the grades is largely left with the industry whereas supervision should be in the hands of Federal and State agencies*** our Federal egg grading system is too complicated to be applied to retail channels of trade*** it cannot be understood by consumers***we haven't quite reached the point where we will tell everybody that they shall do things***you have standards but

no policing to go along with them***many State grades are more effective than Federal grades because in some cases there is some semblance of supervision***if you do not have adequate inspection force you penalize the honest man and let the other fellow go free***I am not so sure than a uniform egg law can be written***instead of trying to draft a uniform egg law it is much more essential to isolate factors that should be in any egg law and let the States compose their own language***a model law should contain certain essentials which will protect the industry***I object to the way in which the revised Federal egg grades were set up."

Farm Credit

Governor William I. Myers of the Agricultural Credit Administration reported that approximately \$3,000,000 in bonds of the new Federal Farm Mortgage Corporation is now being loaned to farmers each day by the Federal land banks and the Land Bank Commissioner. He said that the FCA has been confronted with two major problems; to attempt to refinance the enormous volume of debt, and to attempt to build the foundation of a permanent and comprehensive credit system for agriculture. We have received almost 700,000 applications for farm mortgage loans aggregating nearly \$2,000,000, he reported. "Up to last night we had closed approximately \$670,000,000 of mortgage loans since the first of June***Most of the recovery agencies except the AAA have put money into cities rather than into the country***six hundred million dollars has gone out to the crossroads, and those dollars have circulated so fast they have gotten hot; 90 percent has gone to refinance debts of farmers***the debt burden of farmers, in some instances has been scaled down***there have been about \$25,000,000 of 'scale-downs'***we believe that the lowering of interest rates generally and the fact that we are able to make money available is going to result in reduction of interest rates on other mortgages that we do not refinance***we recognize clearly that going into debt never made anybody prosperous directly, but we think refinancing of this burden into a form that will permit good farmers to carry on until conditions improve has been helpful to reduce costs and enabled farmers to retain their farms."

Albert S. Goss, Land Bank Commissioner, explained that "in appraising land under the Act we consider the production as the principal factor in determining the value. We first determine what the production is in terms of units, whether it is bushels of wheat or bales of cotton, and apply to the production the prices which prevailed during the 1905-14 ten-year period; that gives us gross production of the land. We determine the expense, and arrive at the net production; other factors are salability, market conditions, etc. We found we could at once begin to appraise at what amounted in many sections to from 30 to 40 percent higher than current prices last summer would warrant, and that enabled us with a 75 percent loan basis on normal values to lend in many instances more than the creditor could get if he foreclosed and sold the farm on the distressed markets last summer.***We created a special division to take care of emergency conditions, and since October have handled 39,000 cases of foreclosures***in the majority of cases foreclosures have been stopped and the trend of foreclosures is dropping off sharply***we are trying to build a sound cooperative credit system on a basis so strong that when this job is done we will never be confronted again with the emergency that faced American in this great depression."

Frank W. Peck, Commissioner of Cooperative Banks, said: "We have two major functions; one, the loan function, the making of new loans, and a part of that function relates to taking care of outstanding loans left by the Farm Board, and second, the service function, seeking various ways and means of working with cooperative institutions to help them improve their business***we will do more good in the long run if we can work with the cooperatives to have better business practices, improve their membership relations to producers, build soundly and securely to understand a little better their function as farmers' business institutions***sometimes I fear cooperatives have forgotten the producer and the fact that the farmer should know more about his own institutions***we are attempting to develop studies on management, financial structure, and membership relations***we do not intend to run cooperatives; do not believe in having Government organized and financed and Government operated cooperatives***it is not contemplated that we will run an extension educational system, that we will replace State agencies now concerned with cooperatives, that we will organize new cooperatives**in service operations we want to be very close to State institutions**if cooperatives are to be permanent, it is a long time program; they will have to be soundly financed and soundly operated."

S. M. Garwood, Production Credit Commissioner, reported that 655 production credit associations have been organized to cover practically every county in the United States, and that "it is our intention that the earnings of these associations over a reasonable period of time will be such that the farmers will own and operate them." A. T. Ezgate, Deputy Commissioner of Intermediate Credit Banks, explained how production credit is dispensed by the intermediate credit banks.

Governor Myers concluded this section of the program with the statement that "we expect that next year conditions will be near enough normal so that emergency credit loans will not have to be made." The regional agricultural credit corporations, he said, are being liquidated.

Marketing Agreements

H. R. Wellman of the General Crops Section, AAA, declared that "every marketing agreement has resulted in substantial benefits to producers," and cited a long list of agreements now in effect, or upon which hearings are scheduled. "There are certain requirements if agreements are to be successful," he said. "Marketing agreements must be within the limitations of the Act; there must be active support of a large proportion of the industry; the provisions must be economically sound; they must be capable of being operated and capable of being enforced.***Producers urge that prices be based on cost of production plus reasonable profit***the Act restricts the power to increase prices to prewar parity.***We are of the opinion that no material improvement can be accomplished unless the agreement has the support of a large proportion of the industry, - both growers and dealers."

Recent Marketing Legislation

J. H. Meek of Virginia Division of Markets reported that a special session of the Virginia Legislature in August passed a law "giving us authority to grade all dark fired tobacco; the grading was finished yesterday***there are two bills in Congress that have for their purpose the extension of that service, giving the Secretary of Agriculture authority to grade any tobacco in any place in the United States at his discretion. ***Another bill before the Agricultural Committee is for the purpose of regulating tobacco warehouses; it has a feature providing for grading.*** Another bill has to do with assessing taxes on all tobacco sold and exempting those who sign production control contracts***efforts are being made to combine all these bills.***The Virginia Legislature has passed a mandatory apple law authorizing the Commissioner of Agriculture and Immigration 'to promulgate rules and regulations governing the markings which shall be required upon apples in unclosed packages, and in bulk, for the purpose of showing their grade and/or quality'.***The Virginia Legislature recently passed a bill authorizing the Director of the Division of Markets to cooperate with Federal officials, National, district and State committees and supervisory bodies in establishing and enforcing codes and marketing agreements adopted under the Federal Agricultural Adjustment Act, and a bill to prohibit misrepresentation of the grade, quality and condition of agricultural commodities in newspaper advertisements, over the radio, or by letter, statement, label, or other mark."

The Atlantic States Division elected as officers for the ensuing year, Webster J. Birdsall of New York as President, and S. B. Shaw of Maryland as Secretary.

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NEW ENGLAND TO HOLDMARKETING CONFERENCE.

A farm marketing conference will be held at Boston, May 16 and 17, by the New England Council, to evaluate the present marketing methods of New England agriculture and to develop a marketing program for the future. Similar conferences were held in Boston in 1926 and 1927, out of which came the so-called "New England Marketing Program" which resulted in authority being given to the Commissioners of Agriculture to promulgate voluntary grades on farm products grown within their respective States and to create and control the use of an identification mark now fairly well known as "The New England Label".

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MINNESOTA FARM EARNINGSSHOW SMALL GAIN LAST YEAR.

Records kept on 108 farms in southeastern Minnesota indicate that 1933 was a somewhat better year for farmers than was 1932, reports Minnesota Extension Division. Cash receipts on the 108 farms last year averaged \$2,936, and cash expenses \$1,510, leaving, which on the average, \$1,426, which was what the farmer had to pay family and household expenses and to make interest and principal payments on his lands. All were dairy farms.

AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

The wheat section of the AAA announced on April 23 the designation of 73 more counties in western wheat States where planting conditions, because of drought or insect infestation are extremely unfavorable, as ones in which the minimum planting requirement of the wheat reduction contract may be waived without affecting the contract. Previously 85 counties had been so designated, making the total to date 158.

A total of 43,379 checks, representing \$2,626,522 in rental and price equalizing payments, had been disbursed up to April 24 to growers participating in the program to reduce by 30 percent their 1934 acreage and production of flue-cured tobacco.

Leroy C. Peterson, economist with the Consumers' Counsel of the AAA, has been appointed supervisor of the code of fair competition for the live poultry industry of the metropolitan area of New York.

Rapid progress in determining county allotments under the provisions of the Bankhead Cotton Act is reported. A system to regulate the volume of celery shipments, designed to improve returns to Florida growers, by means of a marketing agreement and license for the Florida celery industry, has been approved by Secretary Wallace.

The evaporated milk manufacturing industry, which secured a marketing agreement last September under the AAA, is considering the advisability of strengthening the agreement by the use of a license with power to enforce the prices, terms, conditions, and fair trade practices governing the industry, the AAA has announced.

Approximately 1,111,160 contracts have been signed by farmers to reduce 1934 corn and hog production.

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MORE THAN \$3,400,000 WORTH OF PERISHABLE FARM PRODUCE was sold on the small public market in Albany in 1930, reports New York College of Agriculture. About half of the total sales were made to inter-city truckers.

MANY FARMERS have reported recently to the Department of Agriculture that they have been told the Secretary of Agriculture will not permit livestock commission men to reduce rates for selling livestock. Seth Thomas, Solicitor of the Department, has announced there is no truth in such a rumor; as a matter of fact, he says, the opposite is the case.

UNITED STATES STANDARDS for topped beets have been issued by the Bureau of Agricultural Economics.

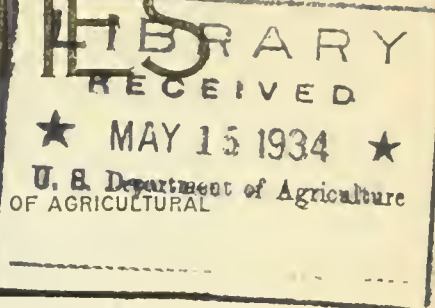
A REDUCTION IN MARKET HOG SUPPLIES during the summer months is anticipated by Iowa Extension Service. Pointing out that large numbers of light, unfinished hogs have been appearing in market receipts, the Service says that apparently a larger proportion of last fall's pig crop would hit the markets before summer than normally are marketed at this time.

ILLINOIS College of Agriculture is telling farmers in that State that the preparation and sale of chocolate milk through local deliveries and market places is one way in which they may aid in reducing the present surplus of dairy products resulting from decreased consumption.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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May 9, 1934

Vol. 14, No. 19

NEW JERSEY GROWERSHAVE POTATO MARKETING PLAN

A plan similar to that used last year for "orderly harvesting and marketing of New Jersey potatoes" has been developed for 1934, Dr. W. H. Martin, New Jersey Experiment Station, has announced. Present indications, he says, are that 100 percent of the dealers and also the Trenton truckers will operate under the marketing plan, which is fostered by the New Jersey Potato Association, New Jersey College of Agriculture and Experiment Station, and New Jersey Department of Agriculture.

Pointing out that potato acreage has been increased in nearly every potato-growing section of the country this year, Dr. Martin says that "a marketing organization will be needed this season more than ever. A return to the old methods of marketing the crop is almost certain to result in a lower price level than is absolutely necessary. On the other hand, the experiences of the past two years should indicate the value of a central marketing agency, since by this plan the competition between dealers is eliminated and prices are more likely to be maintained."

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MARYLAND QUERIESROADSIDE STAND BUYERS.

Maryland Department of Markets reports that a recent consumer survey in that State indicated that most buyers of roadside stand products make purchases once a week; that more than 75 percent of the consumers were of the opinion that direct purchasing from the producer is satisfactory; that more than 60 percent of them prefer locally grown products, and that more than 90 percent prefer to buy from roadside markets, stands, or trucks operated by real farmers. In most instances the consumers were interested in buying locally grown products which were well graded and of fresh quality. The Maryland department says "it was clearly shown that freshness and general appearance are important factors, and that there is no place on the market for culls."

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NEW MEXICO ENACTS"GENERAL SALES TAX LAW."

A special session of the New Mexico Legislature, called by Governor Hockenull, recently enacted a "general sales tax law", effective May 1. In addition to collecting 2 percent on commodities commonly used, a 2 percent tax is to be collected on the gross incomes of professional men. The law also provides for the collection of a tax on oils and minerals produced or mined in New Mexico; and domestic users of electric current are taxed on the basis of the quantity consumed.

U. S. Dept. of Agriculture Library,
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4 K Washington, D. C.

GRADES FOR SMUTTY
WHEAT ARE REVISED.

In an order dated April 26, 1934, Secretary Wallace of the U.S. Department of Agriculture announced that effective July 25, 1934, the grade requirements for smutty wheat shall be specified as follows:

"Smutty wheat shall be wheat which has an unmistakable odor of smut, or which contains balls, portions of balls, or spores, of smut, in excess of a quantity equal to 14 balls of average size in 250 grams of wheat."

These specifications supersede those of the present official standards. The Secretary stated that it is difficult to formulate specifications for smut determinations which will correspond with inspection and market practices in different parts of the country, but that the amendment will define approximately the inspection practices which have been generally satisfactory. Similar amendments in the specifications for smutty rye and for smutty mixed grain in which wheat predominates have been ordered effective July 25.

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HIGH RECORD CANNING
PACK IN PROSPECT

If canners and growers carry out their planting intentions as reported to the United States Crop Reporting Board and if they obtain average yields they will greatly expand production of truck crops for canning this year, according to an outlook report by the Bureau of Agricultural Economics.

Average yields on the prospective acreages will result in the largest packs since the high record of 1930, says the report, adding that although further gains in consumer purchasing power are anticipated, "normal demand conditions are not likely to be attained during the 1934-35 marketing season."

Tomato canners and growers are planning a 38.5 percent increase in acreage; sweet corn canners an increase of nearly 35 percent, and canners of snap beans an increase of 20 percent.

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IOWA COMMITTEE PLANNING
FARM PRODUCTION IN STATE

A committee at Iowa State College is planning agricultural production for Iowa. Soil types, topography, drainage, etc., are determined by the soils men for each county and then townships. With these in mind, crops specialists work out a cropping system for the land. In turn, animal husbandry men work out recommendations for livestock systems based on the cropping systems. Then follows an adjustment of differences among the three groups. The existing livestock and crop systems are analyzed and appraised in some detail for each county. Then a comparison is drawn between existing farming systems and those recommended by the scientists in charge of the work. Although no recommendations are being made as yet, the college says "it is apparent that the committee will point out the need of a reduction in corn acreage. Counties which have been studied in most cases are growing too much corn,

according to the committee, especially in southern Iowa and the cash grain area of the State. Recommended changes in small grain acreage for counties which have been studied include a decrease in northwestern and central Iowa - the cash grain area. Southern Iowa counties might increase their acreage of oats, rye and barley, the committee pointed out. Livestock recommendations have not proceeded so far, although hog production would have to be reduced with the corn reduction."

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MILK PRODUCTION by cows on farms was about 102,309,000,000 pounds last year, according to preliminary estimates by the Bureau of Agricultural Economics. Adding a rough allowance for production by cows not on farms gives a total production of about 105,135,000,000 pounds. The bureau has issued a report on total supply and consumption of milk in the United States, compiled from records running back to 1924.

THE INDEX OF VOLUME OF FARM PRODUCTS EXPORTED from the United States during March is 75 compared with 80 in February, 93 in January, 67 in March last year, and 111 in March, 1932, according to the Bureau of Agricultural Economics. The decline in March was due to smaller exports of cotton and fruits; exports of other farm products increased.

RECORDS kept by 120 North Carolina poultrymen for February showed an average profit above feeding cost of \$25 on each farm for the month, reports North Carolina Extension Service. The average number of chickens was 176. Eggs selling at 26.1 cents a dozen cost 12.2 cents, leaving a profit of 14.4 cents a dozen. Feeding costs were higher at that time than normally, due to cold weather.

A RESOLUTION was adopted recently by the Maryland Seed Certification Board prohibiting the use of the word "certified" on any white or sweet potato seed which has not been officially tagged and sealed by the Board. All white and sweet potato seed which is sold without bearing the official seal and tag of the Board must be sold as "uncertified" seed, even if it has not been disqualified in the field.

TWO NEW PRORATE PROGRAMS approved by California Prorate Commission involve the Gravenstein apple growers of Sonoma and Napa Counties, and the lettuce deal of San Luis Obispo and Santa Barbara Counties. The prorate plan will apply only to "dry pack" lettuce.

MIMEOGRAPHED REPORTS recently issued by the Bureau of Agricultural Economics include "Summary of Dairy Situation Statistics - Production, Prices, Stocks"; "Economic Aspects of Chicken and Egg Production in the United States - Organization and Distribution of the Industry"; "Estimates of Chickens and Eggs, 1931-1934", and "Practices followed by Grape Growers in Fertilizing, Tilling, Spraying, and Dusting, in New York, Pennsylvania, Michigan, and Arkansas Vineyards."

MORE THAN ONE MILLION CATTLE marketed annually by Illinois farmers would be affected by whatever plans the proposed committee of 25 feeders and breeders works out for a national beef cattle adjustment program, says Illinois College of Agriculture. The key to the beef cattle problem, as seen by AAA officials at Washington and as it was presented at the recent Chicago meeting, is the elimination of from 6,000,000 to 7,000,000 cows and heifers on farms, says the College.

PROGRESS IN LEGISLATIONCotton Producers Pool

S. 3484 has been reported to the Senate by the Committee on Agriculture and Forestry. It is a bill relating to the sale of cotton held for producers by the 1933 Cotton Producers Pool, and provides that no cotton held for producers by this pool pursuant to the order of the Secretary of Agriculture of January 8, 1934, and contracts entered into with such producers, shall be sold prior to August 1, 1935 except on the basis of 15 cents per pound Middling seven-eighths inch cotton. Under the terms of the pool agreement the cotton could not be sold until July 31, 1934, unless the price reached 15 cents a pound.

Sugar Bill Signed

H.R. 8861, the sugar control bill, was signed by the President on May 10. A statement issued by the President at the time contained the following paragraph:

"I have today signed H.R. 8861, which I am advised will permit a rapid approach to the solution of the many vexing and difficult problems within the industry. I hope that this Act will contribute to the economic improvement in Hawaii, Puerto Rico, the Virgin Islands, the Philippines, Cuba, and among continental sugar producers. These are the objectives outlined in my message to the Congress last February."

Farm Prices

S. 3185, to amend the Agricultural Adjustment Act with respect to farm prices, has passed the Senate. Its purpose, as explained by the author, is that in addition to the index of the price level of the commodities which the farmer buys there shall be taken into consideration, in order to achieve the parity of 1909-14, the increased indebtedness and expenditures for debts which the farmer must make, and the increase that has taken place in taxes. It provides also that the increased cost of labor shall be taken into consideration.

Sale of Milk

H. Con. Res. 32, authorizing and directing the Federal Trade Commission to investigate conditions with respect to the sale and distribution of milk and other dairy products in the United States, was reported to the House on April 30.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A complete sign-up of adjustment contracts, covering 100 percent of the 1934 acreage of Georgia-Florida shade-grown, cigar-leaf tobacco, has been reported by the AAA. The contracts will restrict production by one-third the average production for the past five years. A marketing agreement under which four tobacco companies would agree to purchase at least an aggregate amount of 18,500,000 pounds of stemming grades of cigar-leaf tobacco at prices approximately 100 percent higher than prevailed last season, has been tentatively approved by Secretary Wallace.

A marketing agreement and license for the bee shipping industry, which seek to increase returns to producers by establishment of standard trade practices and a schedule of minimum prices, have been signed by Secretary Wallace.

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STATE AND FEDERAL MARKETING ACTIVITIES

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AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 16, 1934

Vol. 14, No. 20

CANNED FOOD FUTURES TRADING IN PHILADELPHIA

Futures trading in canned foods was inaugurated on The Commercial Exchange of Philadelphia on May 7. All transactions are predicated upon canned corn, canned peas, canned tomatoes or canned snap beans, the basis being U. S. Grade C as the contract grade. One contract provision is that delivery will be accomplished by furnishing the Exchange a warehouse receipt issued by a warehouseman licensed by the Exchange and supported by an official certificate of grade issued by the United States Bureau of Agricultural Economics.

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OKLAHOMA FINDS WOOL GRADING IS PROFITABLE

Oklahoma Extension Division reports that a study of 792 members' returns from the Midwest Wool Growers' Association indicates that it pays for Oklahoma growers to sell wool on grade. The association netted members on average of 21.5 cents per pound for all wool shipped in 1933, this price being much higher than for wool sold as "mine-run".

"Upon analyzing the grading sheets of several growers selling we find a wide range in the percentage of wool in the better grades," says the division. "Thirty-one percent of all the wool in the shipments was 'burry' and returned to the grower an average of 17 cents per pound. This price is contrasted with the price of 26 cents per pound for wool of the same staple length, but which did not contain burs. The low value of burry wool is due to the extra labor needed in the removal of burs, and to the weakening of fibers in the removing process.

"Twenty-three and two-tenths percent of the wool in this shipment was clothing grade which indicates that a large percentage of the sheep producing the season's clip were old or were not properly fed throughout the year to produce a full length and weight fleece. Clothing wool netted growers about 5 cents per pound less than the staple grade from the same breeds of sheep. This condition can be remedied by proper culling of the flock, and the feeding of a balanced ration to the remainder."

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APPROXIMATELY TEN MILLION New England Quality labels or tags had been sold in six New England States up to April 1, 1934.

NEW JERSEY PASSESCHATTEL MORTGAGE LAW

New Jersey farmers will save about \$20,000 annually in interest and closing charges under the terms of the chattel mortgage act recently passed by the New Jersey Legislature, according to N. A. Back, New Jersey Department of Agriculture.

Under the provisions of the new act, farmers will be able to estimate their crop and livestock production credit requirements in advance of the production season, give a mortgage for the total, and borrow the money from governmental agencies from time to time as it is needed. Heretofore, they have had to borrow the full amount of the mortgage at the outset, and pay interest on this sum. The only alternative was to give a new mortgage each time money was needed. The cost of recording such mortgages was as high as \$7.50 each in some counties.

The new act provides for the filing of chattel mortgages taken by governmental agencies at a cost of 50 cents each, instead of the recording previously necessary. It also enables dairymen to meet production needs by substituting new cows for those initially covered by the mortgages.

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PRODUCTION CREDITINTEREST RATES LOWERED

The interest rate on new loans from production credit associations has been reduced from $5\frac{1}{2}$ to 5 percent by the Farm Credit Administration. The new rate is effective immediately on all new loans and advances, and will remain effective until further notice.

The reduction, Governor W. I. Myers says, is made possibly by a recent sale of Federal intermediate credit bank debentures, which carried an unusually low rate of interest, and were heavily over-subscribed. This is the second time in two months that the associations have been able to reduce their interest rates as a result of the lower costs to the Federal intermediate credit banks of obtaining loanable funds, the rates having been reduced from 6 to $5\frac{1}{2}$ percent in March. The new rate of 5 percent will not affect loans already advanced in full, which will continue to bear the rate prevailing at the time the loan was closed.

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CONNECTICUT WARNSSEED LAW VIOLATORS

Several violators of the Connecticut Seed Law have been notified by Commissioner of Agriculture Olcott F. King to either obey the law or be prepared for prosecution. The Commissioner explained that wholesale disregard for the law after repeated warnings in many cases has made it imperative that drastic action take the place of the educational program which the department has been following. Since the seed law became effective more than four years ago, the department has endeavored to enforce its provisions through an educational program which would acquaint every seed dealer with the letter of the law.

Failure to label properly the packages of seed, especially lawn mixtures, as to their true contents has been one of the principal violations. Violators of the seed law are subject to a fine of \$100. The law

does not prohibit the sale of inferior seed provided it is properly labeled but it does give the buyer an opportunity to discriminate by carefully reading the analysis printed on the outside of each package.

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TEXAS FEED CONTROL SERVICE
IN THIRTIETH YEAR.

Few definite attempts to sell under grade or under-weight feed have been discovered during the twenty-nine years which the Texas Feed Control Service has been operating, but a large number of cases have been found where the feeds did not come up to the standard and which in almost all cases the manufactures were glad to correct when the deficiency was pointed out, reports Texas Experiment Station.

Six inspectors are working full time for the Feed Control Service each covering about a sixth of the State, visiting the various dealers in his district. The Service requires a tag on each sack of feed which must contain the ingredients stated on the tag and which will analyze according to the guaranty. The weight also must be correct and printed on the tag. A permit to manufacture feed is withheld unless the feed is in fact a practical, usable feed. Approximately 1800 feed manufacturers selling feeding stuff in Texas have registered more than 15,000 feeds. The six inspectors take more than 3,000 samples annually, and consumers and dealers may also send in samples.

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LETTUCE GROWERS in the Salinas and Watsonville areas of California are enjoying one of the most profitable seasons in history, according to the Federal-State Market News Service in California. Eclipsing all previous records for sustained high price, even through the period of peak movement, the phenomenal market has amazed all factors from the shipper to the eastern receiver, it is stated.

THE DISCOUNT RATE of the twelve Federal intermediate credit banks has been lowered from $2\frac{1}{2}$ to 2 percent, the Farm Credit Administration has announced.

E. A. GAUNTT has been appointed as extension dairy specialist in the College of Agriculture, Rutgers University July 1. Mr. Gauntt has been a member of the New Jersey Extension Service for eleven years, the last seven as Hunterdon County Agricultural Agent.

RELATIVELY HEAVY BOAT SHIPMENTS have featured the Florida citrus season this year. Up to May 3 Florida had shipped 49,627 cars of citrus by rail and boat, and of this total 45.2 percent had been transported entirely or in part by boat.

A LIST OF MANUFACTURERS of fruit and vegetable hampers and baskets may be obtained from the Bureau of Agricultural Economics.

FOR TRUCKING THIRTY-THREE HOGS that were known to be affected with hog cholera from Illinois to a point in Maryland, an operator at Hull, Illinois, was fined \$200 and sentenced to 30 days in the city jail at Springfield.

PROGRESS IN LEGISLATIONCommodity Exchange Act

H.R. 9471 amends the Grain Futures Act and changes the name to "Commodity Exchange Act". The bill was introduced by Rep. Jones on May 3, and reported to the House by the Committee on Agriculture on May 9. The bill follows the recommendation of the President in his message to Congress on February 9, 1934 that legislation be enacted providing for the regulation by the Federal Government of the operations of exchanges dealing in securities and commodities.

Milk and Other Dairy Products

H. Con. Res. 32, authorizing and directing the Federal Trade Commission to investigate conditions with respect to the sale and distribution of milk and other dairy products in the United States, was passed by the House of Representatives on May 14, with an amendment authorizing an appropriation of \$60,000 for the purposes of the resolution.

Standard Basket for Mushrooms

H.R. 5522 was introduced at the First Session of the present Congress by Rep. Kinzer of Pennsylvania. It was favorably reported to the House by the Committee on Coinage, Weights, and Measures on May 11. The bill would amend the Standard Basket Act of August 31, 1916 to provide for a one-pound Climax Basket for mushrooms.

Foreign Trade Zones

S. 2001 was passed by the Senate on May 10. It is a bill "to provide for the establishment, operation and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce", etc.

Cotton Stocks

S.J. Res. 109, which would authorize a study by the Bureau of the Census, with respect to the cotton stocks held in the United States, was passed by the Senate on May 10. No appropriation was authorized to carry on the work. In its report the Senate Committee said: "For years there has been uncertainty as to whether or not in the carry-over there has been a considerable percentage of cotton totally unfit for ordinary spinning purposes. Such cotton is usually classified when discovered as either gin-cut, water-packed, or perished-fiber cotton, as the case may be, in the individual bale. It is obvious that if an appreciable percent of the so-called 'carryover' is of such a character the trade ought to be advised of it because if counted in the carryover it is entirely misleading."

Loans to Fruit Growers

S. J. Res. 106, authorizing the Governor of the Farm Credit Administration to make loans to fruit growers for necessary expenses to rehabilitate their orchards during 1934, was passed by the Senate on May 10. An appropriation of \$10,000,000 is carried in the resolution.

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TWENTY-SEVEN MEAT PROCESSING CONCERNS, operating at 23 market points in the United States, have been awarded bids by the Federal Surplus Relief Corporation to buy and process for relief distribution a maximum of 225,000 hogs prior to May 31.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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GEORGIA ECONOMIC CONDITIONS IMPROVED

The economic condition of Georgia farmers has been markedly improved in the last fifteen months, according to Commissioner of Agriculture G. C. Adams. Fifteen months ago, he says, he found farmers "in a woeful condition", with farm lands neglected, terraces broken, fences down, barns and homes in decay, houses leaking, steps and verandas fallen, many windows stuffed with pillows or sacks, livestock mostly old and ill-kept. Now, he says, the farms and fences and barns and homes in most cases show touches of improvement; a barn here with a new roof, a home there with new paint, old verandas repaired and recovered, a new siding here and there, windows full of real glass, churches and schools houses in better shape.

Early last year cotton sold at 6 cents; now 11 cents, he says. Corn sold from 18 to 40 cents in different sections of the State; now 80 cents to \$1. Peanuts sold at \$21 a ton; now \$60. Sweet potatoes sold for 40 cents to 50 cents per bushel; now \$1 to \$1.25. The cotton crop brought a total of \$630,000,000 against \$397,000,000 for the much larger preceding crop, not including rentals received from the Government. Tobacco sold for a total of \$6,125,047.03, compared with \$1,238,748.88 for the preceding year. Cottonseed brought \$9 a ton now \$26. Wheat was 40 cents a bushel, whereas later last year it sold for more than \$1. Peas were 40 cents; now \$3.

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MARYLAND WANTS UNIFORM MOTOR TRUCK REGULATION

Before new or additional legislation on motor truck transportation is sought by the several States, the whole question of transportation, particularly that affecting agriculture, should be studied carefully and suitable regulations, uniformly applicable in the various States, should be adopted, Dr. T. B. Symons, Director of Maryland Extension Service, says in a pamphlet, "Problems on Our Own Doorstep" just issued by the University of Maryland.

Such regulations, he says, should adequately serve the producer handling his own product and at the same time be broad enough to permit the free and easy movement of produce into channels of trade; they should prevent the unorganized type of movement which at present, at least in some cases, is resulting in detriment rather than benefit to the farmer.

Dr. Symons says that "whether or not the Federal Government should attempt to regulate the truck movement at this time is a debatable

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question, but it does appear that it would be mutually advantageous to all concerned for the several States to cooperate to the fullest extent in drafting uniform regulations for motor truck transportation."

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GROCERY BILL LARGE

ITEM IN FARM BUYING

Although Illinois farmers produce 68 percent of the food served on their tables, the grocery bill is still the largest item in the family's cash expenditures, according to a summary of 167 home account records made by Mrs. Ruth C. Freeman, Illinois College of Agriculture.

During the past year, the Illinois farm families covered in the summary made total cash expenditures ranging from \$350 to \$1,778, or an average of \$679 each. Of this total, \$147, or 21.5 percent, went for the purchase of food. Cash operating expenses such as telephone, fuel, light and power, ice, servant hire, soap, matches and similar small supplies amounted to 15 percent of all cash expenditures; another 15 percent was used in buying clothing; automobile charges took 12 percent; recreation and education 11 percent; "shelter costs" 9.5 percent; physicians, dentists and drug stores 6 percent; church contributions and other gifts 6 percent, and "personal items" 4 percent.

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CONNECTICUT TO CURB TRAFFIC

HAZARDS AT ROADSIDE STANDS

A bill will be submitted to the next session of the Connecticut Legislation, by the Connecticut Roadside Market Association, to establish a licensing system governing the erection and location of roadside stands, with the principal objective of eliminating traffic hazards. Various State departments will cooperate in the effort to standardize rules and regulations. The Association is a voluntary organization of stand owners who sell primarily only those products raised on their own or neighbors' farms. Each stand displays the uniform "Connecticut Farm Products" shield and the products are subject to inspection for quality by Connecticut Department of Agriculture. The organization is self-supporting and the inspection costs are largely covered by the membership fee which has been reduced to \$5 for this year.

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NEW JERSEY DAIRYMEN

URGED TO GROW OWN FEED

At a recent meeting of New Jersey agricultural agencies, called by Secretary of Agriculture William B. Duryee in that State, it was decided to encourage the State's dairymen to use more home-grown feeds for their cattle as a means of meeting prospective high grain prices. It was brought out that "the prospective shortness of the wheat crop caused by the drought undoubtedly will mean higher prices for concentrated cattle feeds, in general, and, consequently, increased costs of production." Care of pastures is one of the recommendations.

NEW YORK SURVEYSMOTOR TRUCK COSTS

The average cost of operating a one-ton farm truck driven about 3,900 miles in 1930-31 was about five cents a mile, says New York College of Agriculture reporting the results of a study of the cost of operating farm trucks in New York State. Prof. M. C. Bond says that "as a general rule it costs less to the mile to operate older and less valuable trucks than new trucks," and gives as the reason for the difference the higher costs for interest and depreciation on new trucks. He says that costs of operating a truck, especially depreciation and interest, have gone down considerably in the last ten years.

Farmers who own trucks are not affected by the NRA truck code unless they do custom hauling or hauling for hire. Without signing the code, farmers may haul their own products or those of neighbors on an exchange of work basis so long as they receive no direct pay in actual cash.

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PROGRESS IN LEGISLATIONCommodity Exchange Act

H.R. 9623, which is the latest draft of the "Commodity Exchange Act" designed to amend the Grain Futures Act by providing regulation of commodity futures exchanges, was introduced in the House on May 14 by Representative Jones, and was reported out by the Committee on Agriculture on May 17. Cotton has been added to the list of commodities.

Farm Mortgage Act Amendment

S. 3540, designed to enlarge the lending authority of the Land Bank Commissioner under the existing Emergency Farm Mortgage Act of 1933, to permit him to make loans to farmers for enabling them to redeem and repurchase farm property owned by them prior to foreclosure, introduced in the Senate on May 4 by Senator Smith, was reported out by the Committee on Agriculture and Forestry on May 17. House Bill 9528, with same provisions, was reported to the House on May 21.

Investigation of Agricultural Income

S.J.Res. 124, introduced by Senator Wheeler on May 18, would authorize the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally.

Baskets for Mushrooms

H.R. 5522, to amend the Standard Basket Act of August 31, 1916, to provide for a one-pound Climax basket for mushrooms, was passed by the House on May 21. A similar bill, S. 1182, was reported to the Senate on the same day.

Tobacco Sales Tax

H.R. 9690, introduced by Representative Kerr of North Carolina on May 21, was reported to the House by the Committee on Agriculture the following day, with the statement: "This bill proposes to put a sales tax of from 25 to 33 1/3 percent on all tobacco produced by contracting parties (AAA contracts) in excess of that allotted to them by the Agri-

cultural Department, and on all tobacco produced and offered for sale by those who did not enter into contract to reduce their crop."

Cotton Loans

S. 3584. to amend the Agricultural Adjustment Act, by authorizing the Secretary of Agriculture to borrow money upon the cotton in his possession or control, and to deposit as collateral for such loans the warehouse receipts for such cotton, was reported to the Senate on May 22. An appropriation of \$100,000,000 is provided.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

Holders of cotton options which expired May 1 are being given an opportunity to have these options reinstated if application is made prior to July 1. A code of fair competition for the country grain elevator industry went into effect May 21. Amendments to the dry skim milk marketing agreement became effective May 20; the amendments include changes in the schedule of differentials above carlot base rates on dry skim milk used in feeding livestock.

A public hearing on a proposed marketing agreement for early Irish potatoes grown in North Carolina and the Norfolk area of Virginia, will be held at Norfolk, Va., on May 28. Representatives of the cotton industry, attending a public hearing on a proposed amended marketing agreement for their industry, were told on May 19 that cost of ginning alone would not be considered as a basis for establishing maximum schedules of rates for ginning and other services to producers.

A public hearing to determine the effect of the processing tax on sugar cane used in the processing of syrups and molasses will be held at Washington, D. C., on May 28. A marketing agreement for the purpose of increasing returns to raisin growers of California through controlling market supplies and fixing minimum prices to be paid by packers, has been tentatively approved by the AAA.

A proposed code of fair competition for the distribution functions of the butter industry has been filed with the AAA by the National Association of Butter and Egg Distributors, New York City.

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H. W. HOCKBAUM and C. L. CHAMBERS, principal agriculturists, have been appointed regional heads in the Office of Cooperative Extension Work, U.S. Department of Agriculture, to be in charge of extension work in the Eastern and Southern States respectively.

FULLY FIFTY PERCENT of the bees in New York State perished during the past winter, and one-half of the remaining colonies are in danger of starvation, says Prof. George Rea of New York College of Agriculture.

THE CONNECTICUT CROP AND LIVESTOCK REVIEW FOR 1933 has just been issued in mimeograph form by Connecticut Department of Agriculture. The bulletin gives a brief review of crop and livestock conditions during the past three years.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK



A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C

May 30, 1934

Vol. 14, No. 22.

OHIO FARMERS TRUCKING
LIVESTOCK TO MARKET.

Livestock is being motor-trucked into Cleveland from a steadily increasing area, according to George F. Henning, Ohio Extension Service. Less than 1 percent of the trucked cattle receipts was received from beyond the 80-mile zone in 1928, but in 1932 more than 48 percent came from beyond that radius. For calves the percentages increased from 2.8 percent to 29.7 percent; for hogs, from 6.9 percent to 61.5 percent; sheep, from 4.4 percent to 51 percent. Four years ago Cleveland was receiving the bulk of the truck receipts under 60 miles; in 1932 the majority of the truck receipts, except for calves, was from localities more than 70 miles distant.

Mr. Henning says that in recent years truck receipts have been increasing, rates for trucking livestock have been declining, more good all-weather roads have been made available, the costs of truck operations have been lowered, and farmers have been receptive of the truck. Approximately 25 counties around Cleveland furnished most of the trucked-in cattle and calves in 1932, and about 12 counties southwest of Cleveland furnished the bulk of the hogs and sheep.

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NEW HAMPSHIRE REVISES
GRADES FOR EGGS

Revised standards and grades for eggs produced in New Hampshire have been issued by New Hampshire Department of Agriculture. Standards are provided for two qualities of edible eggs with clean, sound shells, - namely, New Hampshire Specials and New Hampshire Extras. The shell in the "special" grade must be clean, sound, and normal; the air cell must not exceed 1/8 inch in depth, and must be regular; the yolk must be well centered, its outline indistinct, motion sluggish, and must be free from visible germ development and other defects or blemishes; the white must be firm and clear.

The shell in the "extra" grade must be clean, sound, and normal the air cell must not exceed 1/4 inch in depth, and must be regular; the yolk must be fairly well centered and its outline may be moderately defined; it may be slightly mobile but must be free from visible germ development, and practically free from other defects or blemishes; the white must be firm and clear.

The department explains that "a regular air cell is one which shows a practically even, smooth outline (without any movement) when the egg is twirled."

CALIFORNIA LISTSLICENSED DEALERS

A list of all licensed commission merchants, dealers, brokers, and other handlers of farm produce in California has been issued by California Department of Agriculture. The department has available also a pamphlet that gives a brief outline of the law governing commission merchants, buyers, dealers, and all wholesale handlers of fruits, vegetables, poultry, eggs, and other perishable farm products. The list of licensed dealers, brokers, and others contains 1,500 names.

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IOWA REPORTS REDUCEDHATCHERIES DEMAND FOR EGGS

Hatcheries are not calling for as many eggs as they did a year ago, as indicated in the April Iowa Calendar Flock report, which shows an increase in the sale of market eggs and a decrease in the sale of hatching eggs compared with a year ago, says Iowa Extension Service.

Total receipts per hen during April were 22.5 cents, and expenses 15.3 cents, leaving an average margin .7 of a cent per hen less than a year ago. Heavy receipts of fresh eggs and less demand for storage eggs have tended to force the price down slightly, it is stated. The average price per dozen during April was 12.8 cents, a drop of 1.3 cents from the average March price.

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NEW YORK LISTSFRUITS FOR ROADSIDE SALE

New York Experiment Station has just issued a new bulletin entitled "Fruits for Roadside Markets" for use by fruit growers in planning the fruit plantation in such a way as to provide a constant supply of each of the fruits throughout the season, and by consumers in buying to best advantage at roadside stands. An introductory statement explains that "varieties that provide a succession of the various fruits for roadside markets are discussed and the principal characteristics of each briefly portrayed so as to convey a general idea of the fruit. For convenience, the ripening season is divided into bi-monthly periods, beginning with the period of June 1 to 15 and continuing through to October 1, concluding with a list of fruits that ripen through the autumn months. The fruits include strawberries, raspberries, currants, gooseberries, blackberries, sweet and sour cherries, apples, peaches, pears, plums, and grapes."

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NEW MEXICO STUDIESBUTTERFAT COSTS

Factors affecting net returns from butterfat production in eastern New Mexico are set forth in a circular just issued by New Mexico Extension Service, presenting the results of a one-year study of dairy management practices on 66 farms in Harding, Quay, Roosevelt, and Union counties. The average price for butterfat was 15.1 cents a pound. Cost of roughage averaged \$4.74 per ton, cottonseed meal \$1.01 per hundred, and other concentrates 34 cents per hundred pounds. The average production for the group was 162.4 pounds of butterfat per cow, net return per cow averaged \$10.65, total feed cost \$17.22 and net total cost per pound of butterfat was 8.4 cents.

UNITED STATES STANDARDS for honey dew and honey ball type melons have been issued by the Bureau of Agricultural Economics.

TOTAL INCOME from sheep, lamb and wool production in California this year may exceed that of 1933 by approximately \$7,000,000, says California Department of Agriculture.

FARM MORTGAGES recorded in the United States during the six months October 1933 to March 1934, aggregated \$857,466,304 according to estimates by the Farm Credit Administration.

PROF. JAMES E. RICE, head of the poultry department at Cornell University for the past thirty-one years, will retire from active service on June 30.

THERE WILL BE NO CHANGE in the established policy of the Farm Credit Administration with reference to the marketing of wool in which its agencies have a financial interest and the administration will continue to require an orderly marketing of the clips in response to consumptive demand, Governor W. I. Myers has announced.

NEW JERSEY MILK CONTROL BOARD will hold a public hearing at Trenton, June 7, to afford producers and distributors an opportunity to suggest modifications in present regulations which, in their judgment, should be given consideration by the Board.

"THE AMERICAN FARM PROBLEM - a selected list of books and pamphlets on the economic status of the farmer and measures for his relief since 1920" has been issued by the Bureau of Agricultural Economics.

MORE THAN 11,000 farmers in Iowa are keeping complete record books this year. About 50,000 farmers have attended more than 700 farm record meetings held recently by county agents and other local representatives in Iowa.

ILLINOIS FARM FAMILIES will be in the market for many types of household repairs and improvements when higher agricultural prices permit such expenditures, says Illinois Extension Service. Of 21,000 farm homes inspected in the CWA farm housing survey recently completed, thousands showed need of painting, re-roofing and extensive repairs. Many of the farm homemakers have plans to improve their homes by wall papering, refinishing floors, installation of water systems, rebuilding foundations and buying bathroom equipment, the survey revealed.

PRIVATE INDIVIDUALS are not interested in buying tax deeds, says North Dakota Experiment Station, with the result that farm property is returning to the county.

ILLINOIS STRAWBERRY GROWERS, whose crop has averaged more than half a million dollars annually in recent years, are optimistic because of the smaller crop which is in prospect and more money in circulation, says Illinois College of Agriculture. Growers are being urged to grade their berries carefully and to use shipping point inspection service.

PROGRESS IN LEGISLATIONAAA Amendments

S. 3326, reported to the Senate on May 23, would amend the Agricultural Adjustment Act so as more clearly to declare the powers which Congress intended to create in the original enactment.

Tobacco Control

S. 3670, introduced by Senator Smith on May 23, corresponds with H.R. 9690 introduced by Representative Kerr of North Carolina and recently reported out favorably by the House Committee on Agriculture. A sales tax of from 25 to 33 1/3 percent would be imposed on tobacco produced by parties under AAA contracts in excess of allotments by AAA, and also on tobacco produced and offered for sale by those not contracting to reduce crops.

Standards for Swine

H.R. 9771, introduced by Representative Hildebrandt of South Dakota, on May 28, would stimulate competitive buying of swine, provide for the establishment of standards for grading swine, etc.

Foreign Trade Zones

H.R. 9322, providing for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, and for expediting and encouraging foreign commerce, has been passed by the Senate and the House.

Inspection of Sea Foods

S. 3655, reported to the Senate on May 26, having been introduced by Senator Stephens of Mississippi, would amend the Food and Drugs Act by authorizing the Secretary of Agriculture upon application of packers of sea foods to have inspected all premises, equipment, methods, materials, containers, and labels used in the production of such foods.

Loans to Farming Corporations

S. 1744, introduced by Senator Trammel on May 22, 1933, was recently passed by the Senate. It would extend to corporations engaged solely in farming and fruit growing the same privilege with respect to loans or refinancing under the Federal Farm Loan Act and the Emergency Farm Mortgage Act of 1933 as are accorded to individuals.

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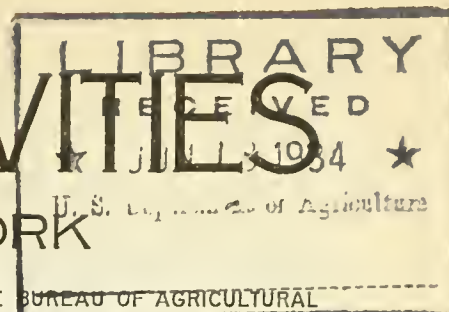
AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A code of fair competition for the feed manufacturing industry has been approved by President Roosevelt, to become effective June 4. The code applies to commercial manufacturers of livestock and poultry feeds but does not include small manufacturers who mix and manufacture these feeds on a small custom basis.

Marketing allotments for the domestic beet sugar processors for the calendar year 1934 have been announced, 6,476,000 short tons, raw value, being set as the consumption figures for continental United States. This is 24,000 short tons in excess of the base consumption figure included in the Act.

A proposed marketing agreement which would provide for proration and handling of late Irish potatoes grown in Kansas and Missouri to maintain reasonable returns to growers has been filed with the AAA.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK



A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 6, 1934

Vol. 14, No. 23.

NEW HAMPSHIRE OPENS
EGG AUCTION AT DERRY

An egg auction patterned after those operating with apparent success in Massachusetts, Connecticut, New Jersey and Pennsylvania will be opened at Derry, New Hampshire, on June 11, by The Farmers' Trading Post, Inc., a cooperative organization which markets locally grown products through a roadside stand. Derry is about forty miles from Boston. All eggs offered for sale at the auction are to be packed in thirty-dozen standard one-way egg cases which are in good condition. They will be inspected, graded, and marked in accordance with New Hampshire official state grades. An official permit to use the New England Quality Farm Product label has been granted the Post. Auction sales will be held on Monday and Thursday of each week. It is expected that volume buyers representing egg route men, chain stores, restaurants, and hotels, will be attracted to the auction by the service and quality of the product which will be offered.

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CALIFORNIA ADOPTS
FLAX SEED STANDARDS

California has adopted the Federal standards for flaxseed, and a laboratory is being established in San Francisco where official grade certificates and a test of the oil content of the flaxseed may be obtained, California Department of Agriculture has announced.

Efforts are being made to establish flax as a major field commodity in California, since recent experiments in flax growing in that State have proved successful. It is estimated that 50,000 acres will be planted this year in the Imperial Valley, and probably several thousand acres in addition in the Fresno and Merced areas of the San Joaquin Valley.

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DROUGHT INCREASING
LIVESTOCK MARKETINGS

Marketings of livestock have increased sharply in parts of the drought area, the increased marketings of thin cattle and calves and light weight hogs being particularly marked, says the Bureau of Agricultural Economics in a special drought-damage report as of June 1. The scarcity and high price of grain, it is stated, will tend to de-

crease the number of chickens raised and the number of eggs produced. The short hay crop expected, the exceedingly poor pastures, and higher prices of grains, tend to reduce dairy production. The same factors, plus a shortage of stock water, are increasing the numbers of livestock marketed. This, says the bureau, will increase the market supply of pork for the next month or two and the supply of beef, veal, and lamb for perhaps six months but these increases will be followed by reduced supplies when drought liquidation is ended and farmers again hold back stock to increase their flocks and herds.

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PHILADELPHIA AREA
TO HAVE MILK SHED

Plans for the creation of a milk shed to serve the Philadelphia metropolitan area are being drafted by the Milk Control Boards of Pennsylvania and New Jersey. Such a shed, in the opinion of the Boards, will effect economy in transportation of milk and safeguard the sanitary quality of the product by facilitating coordinated inspection. Drawing the necessary milk supply for Philadelphia from nearby areas adequate to meet the needs of the market will serve the public interest along economic and health lines, the Boards stated following a joint meeting at Trenton, on June 4.

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NEW YORK POULTRYMEN
URGED TO BUY CHICKS NOW

Because all hatcheries of the country may close during July and August, and chicks are fewer this year on farms in the United States than last year, New York poultrymen who plan to buy chicks are being urged by New York College of Agriculture to place their orders at once. The baby chick code administration has asked all hatcheries to discontinue all operations after June 15, and in some states some hatcherymen have agreed to close during July and August.

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FARMS ARE BRINGING
HIGHER PRICES

Prices on farm lands advanced during the first three months of this year compared with a similar period of 1933, according to the Farm Credit Administration, which reports the average sale price of farms sold by the Federal land banks throughout the United States increased from \$17.02 per acre to \$19.40. During the same period the amount of cash paid at the date of the sale increased somewhat. Reports to the FCA from the twelve banks indicate that sales continue to be made for the most part to local farmers in the vicinities in which the farms are located. Of 492 sales analyzed, 317 were to nearby farmers and 30 to farmers living fifty miles or more distant. Forty-one sales were made to nearby non-farmers and 37 to persons in this class living some distance from the properties.

FARM REAL ESTATE TAXES per acre decreased 13 percent on the average from 1932 to 1933 in sixteen States on which surveys have been completed by the Bureau of Agricultural Economics.

REVIVAL of the lard export trade, establishment and advertising of higher standard lard grades in the domestic market, and providing alternative uses for cottonseed oil in industries other than the manufacture of lard substitutes appear to offer the most effective means to improve lard prices, according to Iowa Experiment Station.

AN ORDINANCE that limits the sale of dairy products to those from tested cows was recently passed in San Bernardino County, California. Should other counties and cities pass similar ordinances, the home market would be entirely denied the California dairymen, says California Department of Agriculture. The department is trying to get Secretary Wallace to allocate \$5,000,000 to the State to fight bovine tuberculosis.

A LIST OF RICE GRADING APPARATUS and of firms from whom this apparatus can be bought may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

RECENT MIMEOGRAPHS issued by the Bureau of Agricultural Economics include "Some Cotton Quality Elements as Influenced by Ginning", "Buy Beans on Federal Grades and Inspection to Insure Delivery of Quality Specified in Contract", "Revised Estimates of Corn Acreage, Yield and Production, 1866-1929", "Cooperating with Georgia Ginners in Reporting the Grade and Staple of Cotton", "Handbook of Instructions for the Installation and Operation of the Tag-Heppenstall Moisture Meter".

LESLIE A. WHEELER of the United States Department of Agriculture has been appointed as principal agricultural economist in charge of the Division of Foreign Agricultural Service of the Bureau of Agricultural Economics. Wheeler has been acting in charge of the division for the last three years, and in 1933 was a member of the staff of the American Delegation at the World Economic Conference in London. In August 1933, he was a member of the American Delegation to the International Wheat Conference at London.

SMALL FACTORIES in the smaller towns and in the open country give important employment opportunities to farm people in many States, according to a survey of rural factory industries just reported by the Bureau of Agricultural Economics in Circular 312-C published by the U.S. Department of Agriculture.

RECENT PRESS RELEASES by the Bureau of Agricultural Economics state that "some strengthening of world wheat prices with prices in the United States continuing well above an export basis throughout most of the 1934-35 season is expected"; that "domestic mill consumption of combing and clothing wool on a grease basis in the first quarter of this year was slightly smaller than in the same period last year and the smallest in any corresponding quarter in the last ten years"; that "the wheat acreage now being planted in Australia is officially reported to be 13,500,000 acres, 10 percent less than a year ago, and 14 percent less than two years ago".

PROGRESS IN LEGISLATIONFarm Mortgage Interest

H.R. 9821, introduced by Representative Johnson of Minnesota on May 1, would provide a moratorium on interest payments on farm mortgages in certain drought-stricken areas.

Commodity Exchange Act

H.R. 9623, the "Commodity Exchange Act", was passed by the House on June 6. Included among the commodities covered by the bill are cotton, rice, and millfeeds.

Farm Credit

S. 3740 would amend Section 70a of the Farm Credit Act of 1933. Senator Tydings introduced the bill on June 5. It invests the President with power to appoint four Federal directors in each land bank district in the United States. Election of local directors is placed under control of the Governor of the Farm Credit Administration instead of under the Land Bank Commissioner. A statement accompanying the bill said in part: "In view of the fact that the present Congress has enacted legislation that makes the United States responsible for both the interest and principal of the debts incurred by these various agencies, the head of the Government should have complete control over the appointment of a majority of the directors of these important governmental agencies."

Tobacco Sales Tax

H.R. 9692, which would put a sales tax on all tobacco produced by contracting parties (AAA contracts) in excess of that allotted to them by the AAA, and on all tobacco produced and offered for sale by those who did not enter into contract to reduce their crop, was passed by the House on June 6.

Climax Basket

H.R. 5522, to provide for a one-pound Climax basket for mushrooms, thereby amending the Standard Basket Act of August 16, 1916, passed the Senate on June 6. The bill had already been passed by the House.

Foreclosed Farmlands

S. 3540, to amend Sec. 32 of the Emergency Farm Mortgage Act of 1933, by extending authority for the repurchase by the former holders of farm properties foreclosed prior to July 1, 1931, the limitation now contained in the law, was passed by the Senate on June 6.

Homes for Tenant Farmers

H.R. 9258, introduced on June 6 by Representative Wood of Missouri, would provide homes and farms for tenant farmers of the United States.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

June 15 has been set as the final date for acceptance of tobacco acreage adjustment contracts for filler and binder types of cigar-leaf tobacco grown in the Wisconsin-Minnesota, Ohio-Indiana, Pennsylvania-New York, and New England areas.

A determination of 11.34 cents per pound, the average price of lint cotton at ten spot cotton markets, has been fixed as the base for determining the rate of tax on cotton under the Bankhead Act.

STATE AND FEDERAL
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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 13, 1934

Vol. 14, No. 24.

NEW JERSEY "FRESH EGG
LAW" EFFECTIVE JULY 1.

Eggs to be sold as "fresh" in New Jersey must meet the quality standards of the two New Jersey egg grades promulgated in 1930 by New Jersey Department of Agriculture, under the recently enacted "fresh egg law" which goes into effect July 1 in that State. The grades are "New Jersey Fancy" and "New Jersey Grade A". According to the new law, eggs that are of lower quality than "New Jersey Grade A" cannot be sold as "fresh". However, eggs do not have to meet the size standards of this grade to qualify under this classification. In order to be sold as "fancy", the act provides that eggs must meet the "New Jersey Fancy Grade" requirements both as to quality and size.

Shell-treated eggs, if they meet "New Jersey Grade A" quality specifications, can be sold as fresh provided they are marked "shell-protected" or "shell-treated". There is nothing in the new act preventing the sale of cold storage eggs as fresh if they meet "New Jersey Grade A" requirements. However, a 1916 law provides that all cold storage goods must be marked as such, and charges the State Board of Health with enforcement of this ruling.

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IOWA FARM "PAPER
PROFITS" INCREASED.

Though most of it is on paper, a sizable increase in the profits of Iowa farmers last year over 1932 is indicated in the annual report of farm business records kept by 476 farmers in 76 counties under the supervision of Iowa Extension Service. Two measures, the net farm income and management return, says the Service, showed noticeable increases over 1932. The average net income for 1932 was \$330, whereas for last year it averaged \$1,990. Management returns improved \$2,340, from a \$1,550 loss to a \$790 gain.

Only a minor part of the price increase is reflected in the 1933 net cash income, which rose from \$530 to \$555, says the Service. Inventory increases in liquid assets, especially feeds and livestock, will be further reflected in the 1934 sales. The high income group obtained \$168 in livestock return per \$100 feed fed, while the low group received only \$122.

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MODERN METHODS of marketing poultry and eggs will be featured at the annual summer meeting of the Connecticut Poultry Association to be held on June 22 at Wilcox's Pier, Savin Rock, West Haven, Conn.

BUREAU PERMITS LABELING
"RETAIL GRADE B" EGGS.

Cartons of eggs that grade United States Standard under Federal-State inspection may be labeled "U.S. Standards - Retail Grade B" under a recent ruling by the Bureau of Agricultural Economics. This ruling, says Maryland Department of Agriculture, will result in considerable benefit not only to producers, but also to consumers who cannot afford to pay the price for eggs of higher quality.

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PENNSYLVANIA DAIRY
PRODUCTS INCCME INCREASED.

Cash income realized from the sale of milk by Pennsylvania farmers in 1933 was \$72,407,000 compared to \$70,648,000 in 1932, according to Pennsylvania Department of Agriculture. The Pennsylvania farm price of milk was estimated at \$1.92 in 1933 compared to \$1.88 in 1932. The department says that Pennsylvania leads all other States in the quantity of milk and cream retailed by farm producers.

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VIOLATORS OF PRODUCE
ACT ARE PENALIZED.

John Mitseff of Akron, Ohio, was sentenced by Judge West in Federal District Court at Cleveland on May 24 to imprisonment for three months in the United States Detention Farm at Milan, Michigan, and to pay a fine of \$1000 in connection with violations of the Federal Produce Agency Act, in that he failed to render correct accounting and pay the net proceeds on a considerable number of consignments of vegetables handled in May and June, 1930, for certain growers in Mississippi.

William B. Salem and Thomas V. McKeever, former President and Secretary-Treasurer, respectively, of the firm of Albert M. Travis Company of Pittsburgh, Penna., which went into bankruptcy in September, 1932, were each fined \$100 by Judge R. N. Gibson in Federal District Court on May 31, for violation of the Produce Agency Act in that they failed to pay in full the net proceeds for the sale of vegetables handled on consignment for six growers in the States of Alabama, Louisiana, New York, Virginia, Michigan, and North Carolina in the spring and summer of 1932.

Each of the four officers of the former firm of Depp-Badali Company, of Pittsburgh, Penna., was fined \$100 by Judge R. N. Gibson in Federal District Court on May 31 for violation of the Produce Agency Act, in that they failed to remit the net proceeds from the sale of consignments of produce shipped in November and December, 1931, by five different shippers at Orwell, Ohio.

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NEW YORK CONTINUING
"QUICK FREEZING" STUDIES.

Studies of the suitability of New York State fruits and vegetables for freezing, which were begun three years ago at the State Experiment Station at Geneva, will be continued this year under a cooperative arrangement with a commercial organization. The work this year will

center on the freezing of strawberries, raspberries, cherries, peas and corn-on-the-cob. The new sweet corn crosses, Golden Cross Bantam, Bantam, Evergreen and others, which are being grown at the Station, will be studied in an endeavor to produce an ideal frosted "corn-on-the-cob."

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NEW JERSEY DEALERS

JOIN MARKETING PLAN.

Every dealer in Central New Jersey will join the "New Deal" plan for marketing New Jersey potatoes this year, according to New Jersey Experiment Station. Two central offices will be opened, one at Freehold and one at Hightstown, under the control of one committee which will include two dealers from each office and five Central Jersey growers. The plan provides for orderly marketing of the crop through the two offices, with digging regulated to avoid overloading.

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IOWA FARMERS ARE

REFINANCING DEBTS.

Since this time last year, Iowa farmers have lightened the foreclosure menace with more than 17,500 new farm mortgage loans aggregating \$75,000,000 obtained from the Federal Land Bank of Omaha, the Farm Credit Administration has announced. Operating in Nebraska, South Dakota and Wyoming, as well as Iowa, the Federal Land Bank of Omaha loaned more than \$147,000,000 during the year ended June 1, 1934, and during the past five months has been making loans at the rate of about a million dollars a day for each working day.

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SUDAN GRASS SEED was imported into the United States in May, for the first time in two years. Shipments totalled 80,900 pounds. Forage specialists of the United States Department of Agriculture say that the demand for Sudan grass seed which has stimulated renewed importation may be traced to two causes: Sudan grass fits into the adjustment program of substituting forage crops for grain crops, and Sudan grass is an excellent crop in areas suffering from drought; it is a useful crop to plant for a quick crop of forage after the safe date for corn planting has passed.

"RURAL-URBAN MIGRATION in North Carolina, 1920 to 1930" has been issued as Bulletin 295 by North Carolina Experiment Station.

THE APPARENT SUPPLY OF COTTON in the United States was approximately 10,300,000 bales on May 1, compared with about 11,900,000 bales on May 1 last year, and with an average of 5,200,000 bales for the ten years that ended in 1930, says the Bureau of Agricultural Economics.

THE ANNUAL MEETING of the American Dairy Science Association will be held at Ithaca and Geneva, New York, June 26 to 28.

PROGRESS IN LEGISLATIONMilk Investigation

H. Con. Res. 32, authorizing and directing the Federal Trade Commission to investigate conditions respecting the sale and distribution of milk and other dairy products in the United States, was reported to the Senate on June 12.

Census of Agriculture

H.R. 9391, dealing with the census of unemployment, employment, and occupations, to be taken as of November 12, 1934, was passed by the House on June 7. Section 3 relates to the census of agriculture and livestock already authorized to be taken as of January 1, 1935, and advances the date to coincide with the other census activities enumerated.

Agricultural Income

S.J. Res. 124, authorizing the Federal Trade Commission to make an investigation concerning agricultural income, and the financial and economic conditions of agriculture, passed the Senate on June 13.

Farm Bankruptcy

H.R. 9865, introduced by Representative McKeown of Oklahoma, and reported to the House on June 6 from the Committee on the Judiciary, would amend the bankruptcy act by the addition of a new subdivision on the subject of agricultural extensions in bankruptcy. The purpose of the bill, as reported by the committee, is "to grant under the bankruptcy power of Congress, extensions of time to distressed farmers for payment of their debts and mortgages, and to permit them to remain in possession of their property during the period of such extension while payments are being made under the terms and conditions of the bill".

Tobacco Control

H.R. 9690, the Kerr Tobacco Control Bill which was favorably acted upon by the House last week, was reported to the Senate on June 12.

Importation of Milk

H.R. 3229, introduced at the First Session of the present Congress by Representative Henney, to regulate the importation of milk and cream and products thereof into the United States, was reported out by the House Committee on Agriculture, June 13.

Buying and Selling Products

S. 3333, introduced in March by Senator Fraizer of North Dakota, was reported to the Senate on June 13. The title reads: "To provide for the purchase and sale of farm products."

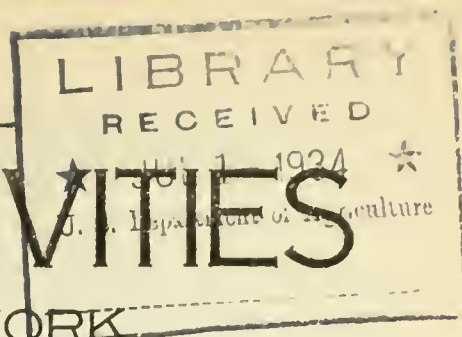
Packers & Stockyards Act

S. 2246, to amend the Packers and Stockyards Act by adding Title V relating to live poultry, dealers, and handlers, would authorize the Secretary of Agriculture to regulate transactions of such dealers and handlers through the medium of licenses granted under specified conditions. The bill was passed by the Senate, without discussion, on June 13.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK



A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 20, 1934

Vol. 14, No. 25

NEW HAMPSHIRE EGG AUCTION MAKES GOOD START

The New Hampshire Egg Auction which was opened at Derry, New Hampshire, June 11, made an auspicious start with rapid selling of the 87 cases offered, reports New Hampshire Bureau of Markets. The eggs were sold in one or two-case lots with the shipper's number and the gross weight of eggs plainly indicated. The bureau says that as buyers become acquainted with the quality of each shipper's eggs, this method of sale should command premiums for those lots which become recognized as outstanding in quality.

All cases had been inspected before the sale, at least 100 eggs in each case were candled, and all cases were plainly marked with grade, size, shipper's number, and gross weight. This information was plainly indicated on large labels attached to the end of each case. When cases were found to contain an excessive number of undergrade eggs every egg in the case was candled and the sales slip so indicated. The New England Label is used on the cases, indicating that the eggs are sold under official State grades. The bureau says it was evident at the first sale that eggs will bring close to their market value under the auction system. Brown eggs grading N.H. Specials, large sizes, sold from $25\frac{3}{4}$ to $28\frac{1}{2}$ cents a dozen; white eggs, N.H. Specials, large size, $25\frac{1}{4}$ to $25\frac{1}{2}$ cents.

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MARKETING AGREEMENT LIFTS CALIFORNIA ORANGE PRICES

California orange growers are now reaping in full measure the benefits of the regulation of shipments under the California-Arizona citrus marketing agreement, sponsored by the AAA, according to field representative E. L. Markell. Prices on eastern markets are higher than in three years past, and returns to California producers are at the rate of approximately \$2,000,000 a week, he says.

"This situation, while largely created and sustained by the restricted shipments under the marketing agreement, is also due in part to a combination of favorable marketing conditions," Markell says. "The demand from most sections of the country is exceptionally strong, and while every effort is being made to take full advantage of this situation, precautions are also being exercised to check the natural tendency to overload the markets."

U. S. Dept. of Agriculture Library,
Attn., Miss Trolinger,
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FCA TO STUDY MARKETING OF SURPLUS MILK

Dr. Leland Spencer of Cornell University has been appointed by the Farm Credit Administration to make a special study of the problem of marketing surplus milk as it affects farmer cooperatives. The work will be carried out under the direction of the Cooperative Division, and will include other features of dairy marketing. Dr. Spencer's study is designed also to supplement a survey made last year by the Cooperative Division of milk marketing in the northeastern States, although his work will not be confined entirely to that area.

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NEW YORK SAYS ACCURATE TAX MAPS ARE NEEDED

Accurate tax maps or property maps that show the names of the owners, and the dimensions and acreages of all properties, are one of the important needs for complete and accurate assessments and tax collections, according to A. R. Barnett of Cornell University department of agricultural economics, who says that efforts to bolster the present system of general property taxation have only resulted in an accumulation of more problems.

"Such maps," he says, "make accurate and scientific assessment of property possible and help to prevent the omission of property from the tax rolls. Few rural towns and counties have such maps. One western New York county and one town in the Hudson Valley are now preparing tax maps as work projects under the temporary emergency relief administration.

According to Mr. Barnett, a study of tax delinquency in eighteen rural counties in New York State for the five years from 1928 to 1932, inclusive, showed an increasing number of delinquents compared to the preceding few years. Each year since 1928 has shown an increase.

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HALF OF FARM HOUSES IN NEED OF REPAIRS

The recent housing survey made by the U. S. Department of Agriculture in 352 counties in 46 States shows that of the six and a quarter million farm houses in the country, probably about fifty per cent are in fairly good structural condition, says Wallace Ashby, Bureau of Agricultural Engineering. About 15 percent of farm houses need complete replacements of foundations; between 15 and 20 percent need replacements of roofs; 10 to 15 percent need new floors, and about 10 percent need repairs or replacements of exterior walls. Between these extremes of houses in good condition and those needing complete replacements of some parts are a large group needing repairs of some kind, including much interior refinishing, Ashby says. The estimated cost of repairs and alterations to put farm houses in good liveable conditions, based on the reports of the survey, would total about \$3,500,000,000, or an average of about \$575 per house.

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"METHODS AND COSTS of Filling Silos in the North Central States" is the title of Farmers' Bulletin 1725 just issued by the U. S. Department of Agriculture.

ROOSTER DAYS are being sponsored in Illinois by farm advisers, chambers of commerce, newspapers, and poultry companies in all parts of the State, with the result that male birds, young and old, are being corralled for market, says Illinois Extension Service. Premium prices and prizes are being offered to farmers who bring their roosters to town on special days.

SHIPMENTS OF CATTLE from drought-stricken North Dakota counties, which began June 12 under the emergency set-up completed by the State Extension Service, is reported to be gaining headway fast as the machinery for handling the task is perfected. In the first ten days of the program 101,713 cattle on 6,838 farms had been appraised. One hundred thousand cattle have been bought in Minnesota and the Dakotas under the low grade surplus cattle removal program, reports the AAA.

ONE OUT OF EVERY THREE FARM FAMILIES in Pennsylvania now has a radio, according to Pennsylvania Department of Agriculture estimates that 57,540 farms out of approximately 172,419 in the Commonwealth have radios. There has been an increase each year since 1924 when the first information on the subject was collected.

AN APPLE JUICE CONCENTRATE has been prepared from fresh apple juice which contains a large proportion of the constituents that give the characteristic flavor and aroma to fresh apple juice and which can be added to water to make a product that compares favorably with the original juice, reports New York Experiment Station.

A FRUIT BUYER operating in the Livingston District of California was sentenced last week to serve six months in the county jail and to pay a fine of \$50 on a charge of operating as a produce dealer without a State license, and for violation of the State agricultural code, reports California Department of Agriculture. Suspension and revocation of State licenses held by six produce dealers and commission merchants who failed to pay or account to growers, was announced recently by the department.

REVISION of the present rules and regulations governing the interpretation of the present New Hampshire apple grades will be considered by orchardists at a meeting to be held at Concord on June 25 by New Hampshire Department of Agriculture.

A TAX DELINQUENCY STUDY shows that tax delinquency was much higher in Louisiana parishes where a balanced agriculture was not practiced and where livestock raising was not an important part of the farm program, says B.B. Jones, Louisiana Extension Service. Tax delinquency in tick free parishes averaged 5.48 percent, whereas in tick infested parishes the delinquency averaged 10.36 percent.

AT A COST OF LESS THAN TEN CENTS A DAY, feed may be ground for a herd of 15 to 20 cows in a grinding apparatus costing \$50 devised by I. P. Blauser, electrical specialist at Ohio State University, the University says.

THIRTY-THREE MANUFACTURERS and dealers in food products were prosecuted during the past month in Pennsylvania for ignoring provisions of the State food laws, reports Pennsylvania Department of Agriculture.

CONGRESS ADJOURNS - NEW LEGISLATION -
PENDING BILLS LAPSE

During the past week many bills bearing upon agriculture and related subjects had the attention of Congress. Some bills were passed by one or both houses, and the Committees of the Senate and House took action in a number of cases. Regardless of their status preliminary to passage, all bills which did not pass both houses are now dead, as all pending bills expired with the adjournment of the Seventy-third Congress on June 18. This means that any of these bills which may come up for consideration in the Seventy-fourth Congress will have to be reintroduced and considered under new numerical designation inasmuch as their status, as determined by action in the Seventy-third Congress, cannot be revived. In the course of the last few days of the session just closed, the following bills, some of which have not yet been signed by the President, were passed:

S. 1639 - to establish a Federal Credit Union System - a national system of cooperative credit.

S. 3855 - to amend the Food and Drugs Act of 1906, by providing for an inspection service for the packers of sea food.

S. 3580 - to amend the Bankruptcy Act by extending and liberalizing the terms under which farmers may endeavor to compose their indebtedness.

S. 3185 - to amend the Agricultural Adjustment Act with respect to farm prices.

S. 3285 - the Communications Act (signed by the President).

H.R. 9829 - to amend the Agricultural Adjustment Act with respect to the processing tax on hogs.

H.R. 1620 - the National Housing Act.

H.R. 9690 - the Tobacco Control Act.

H.Con.Res. 32 - authorizing an investigation of the sale and distribution of milk and other dairy products.

S.J.Res 106 - authorizing loans to fruit growers for rehabilitation of orchards during 1934.

S.J.Res. 138 - to amend the Cotton Marketing Control Act (Bankhead Act) in order to clarify the method of apportionment of surplus bales to counties having an insufficient allotment.

In the Deficiency Appropriation Act, the following item appears:

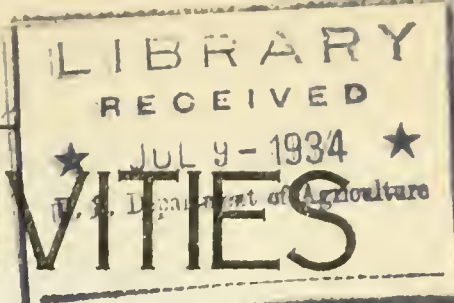
"Bureau of Agricultural Economics

To enable the Secretary of Agriculture to collect and analyze economic data on agricultural products for use in carrying into effect the act entitled 'An act to amend the Tariff Act of 1930' approved June 12, 1934**including the employment of persons and means in the District of Columbia and elsewhere, printing and other necessary expenses, fiscal year 1935, \$47,670."

There were also included certain amendments to the Agricultural Adjustment Act making funds available for advances of money on cotton held by the Secretary of Agriculture under the provisions of previous legislation.

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STATE AND FEDERAL
MARKETING ACTIVITIES
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NEW JERSEY EGG LAW
ENDORSED BY TRADE

Leading representatives of grocers and egg wholesalers operating in New Jersey met at the New Jersey Department of Agriculture at Trenton last week, and, after discussing the new Fresh Egg Law of that State, which goes into effect July 1, unanimously passed a resolution endorsing the law and pledging their full cooperation with the department in enforcing it. The department decided that the prosecution of violators start with persons who are selling so-called "fresh" eggs at such low prices that it is apparent that the eggs cannot possibly be fresh.

Secretary William B. Duryee, of the New Jersey department, says that the new law will protect consumers and reliable members of the egg trade by requiring that all eggs offered for sale as "fresh" meet definite high quality standards. Four inspectors will examine eggs offered for sale as fresh, to detect violators. Grocery stores, roadside stands, and house-to-house egg routes will come under the surveillance of the department. Fines of \$25 for the first offense and \$50 for each subsequent offense are provided for violations of the law.

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NORTH DAKOTA WOULD
EQUALIZE TAX BURDEN

Completion of a survey of all soils in McKenzie County, North Dakota, in a scientific effort to equalize the tax burden in the largest county in that State has been announced by North Dakota Extension Service. Field work for similar surveys has been completed in Billings, Morton, Dunn and Mercer Counties.

In making the soil classifications every 40 acres is classified either as agricultural or grazing land with \$20 used as the top price for the best land. On agricultural land the surveyor considers the productive capacity of the land and its distance from market. Productive capacity of the land and its distance from water as well as from market are considered in classifying grazing lands.

Results of the soil survey in McKenzie County showed startling discrepancies in the assessed valuation of the land and its actual worth according to the soil survey, says the Service. In one township in the badlands, a piece of property 40 miles from market has an assessed valuation of \$45,225 according to the census figures. The

U. S. DEPT. OF AGRICULTURE
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soil classification valued it almost exclusively as grazing land and valued it at \$28,346. In another township a piece of property only three miles from market had an assessed valuation of \$215,674, but a soil value of \$223,274.

Dr. Throwbridge, director of North Dakota Experiment Station, believes the problem is one of redistribution. Figures for the total valuation of six townships gave them an assessed valuation of \$754,992 and a soil value of \$744,392. Many pieces of land which have gone to tax deed in the last five years were assessed more than the land could produce, he says.

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WESTERN OFFICIALS MEET ON PRODUCE STANDARDIZATION

Fruit and vegetable standardization officials of eleven western states met at Salem, Oregon, last week for the fourth annual session of the Western Area Standardization Conference. S.S. Rogers, chief of the California department of agriculture fruit and vegetable standardization bureau, is president of the conference.

Principal subjects for discussion dealt with unification of fruit and vegetable standardization laws of the western states, particularly as regards inspection and certification of produce moving from one state to another by motor truck. Mr. Rogers says it is the hope of the conference to "standardize the standards" so that there may be a minimum of delay in inter-state truck movements.

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NEW YORK MARKET FOR GOOD WORK HORSES

There is a market for 20,000 good work horses in New York State, reports M. W. Harper of New York State College of Agriculture. The demand, he says, arises on farms equipped with machinery, some of which is old, and on farms with little or no mechanical help. He says it is cheaper and more satisfactory for farmers to raise their own horses than to buy western stock, and estimates that under suitable conditions the New York farmer can raise a medium-sized three-year-old colt for a total cost of less than \$100.

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PENNSYLVANIA FINDS FARM REAL ESTATE SITUATION IMPROVED

The gradual decline in farm real estate values in Pennsylvania which began in 1920, has apparently reached bottom, says Pennsylvania Department of Agriculture. Increasing values are reported for farm real estate in many localities due to improved highways and better prices for farm products, it is stated. Present buyers of farms are reported as being either farmers or persons with other interests on part-time jobs who feel they can improve their position by living in the country. The department believes that with continued improvement in business conditions and farm prices, more activity will result in the farm real estate business.

FEDERAL BUREAU ISSUESNEW PRODUCE STANDARDS

The Bureau of Agricultural Economics has recently issued United States standards for grades of pitted sulphured cherries, unpitted sulphured cherries, cauliflower, juice grapes (applicable only to the European or Vinifera types), table grapes (applicable only to the European or Vinifera type, and sawdust pack grapes (applicable only to the European or Vinifera type).

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ALL MEAT slaughtered on farms in California intended for retail trade channels must be inspected and passed by an approved agency, Attorney General U.S. Webb has informed California Department of Agriculture, in response to a request for interpretation of the agricultural code relating to meat inspection.

RECENT ABOLITION of the Federal tax of \$16 to \$17 per thousand on burlap sacks will save New Jersey potato growers \$35,000 this season, says New Jersey Experiment Station.

THREE FACTORS that are mainly responsible for the variation between different localities in prices of farm crops, are pointed out in a new bulletin by L. F. Garey, division of agricultural economics, Minnesota Extension Division. These factors are the conditions governing production, the quality of crop produced, and transportation costs. Conclusions are based on a study of the seven principal crops, over a five-year period, 1925 to 1929.

TWO MAJOR UNITS of the U. S. Department of Agriculture, the Bureau of Entomology and the Bureau of Plant Quarantine, have been merged into one, to be known as the Bureau of Entomology and Plant Quarantine. Lee A. Strong, chief of the Bureau of Quarantine from December 1929 to October 1933, and since then chief of the Bureau of Entomology, has been appointed chief of the new bureau.

RECENT MIMEOGRAPHS issued by the Bureau of Agricultural Economics include "A Brief List of References Relating to Nationalism, Internationalism, or a Planned Middle Course"; "Revised Apple Production 1919-1920, with Farm Prices and Value"; "United States Average Farm Prices of Dairy Products, 1910-1934 - The Revised Series and the Method of Their Revision".

EXPANDED INDEXES to summaries of decisions of the Secretary of Agriculture under the Perishable Agricultural Commodities Act have been issued by the Bureau of Agricultural Economics. The indexes cover decisions through S-690. The issue comprises three styles of index, - a subject index, an alphabetical index, and a publication and docket index, - to facilitate the findings of decisions and rulings.

MINNESOTA EXTENSION SERVICE has issued bulletins entitled "Live-stock Shipping Associations in Minnesota", and "The Farmer's Interest in Exports". The latter is a condensed discussion of the importance of the export trade to American farmers.

"ONE YEAR OF THE AAA; THE RECORD REVIEWED" is the title of a pamphlet issued by the Agricultural Adjustment Administration, reprinting a feature article by Chester C. Davis, Administrator, in the New York Times of June 3, 1934.

"FACTORS for Successful Farm Management in Todd, Christian, and Warren Counties (Kentucky)", is the title of Bulletin 347, recently issued by Kentucky Experiment Station.

"MARKETING CANTALOUPS and Other Muskmelons" is the title of Technical Bulletin 425 recently issued by the U.S. Department of Agriculture.

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AGRICULTURAL ADJUSTMENT ADMINISTRATION NEWS

A marketing agreement which will be effective for one year for the California cling peach canning industry, was tentative approved by Secretary Wallace on June 26. A marketing agreement for the early potato industry in Florida, Georgia, South Carolina, North Carolina, Virginia and Maryland, has been tentatively approved by the Secretary.

Harvesting of seed from pasture and meadow crops which are grown on the rented or contracted acreage of farms under wheat, corn-hog, or tobacco contracts is permitted by recent modifications.

More than \$216,000,000 in rental and benefit payments had been sent out to farmers in 46 States up to June 20, and \$328,379,500 in processing taxes had been collected to the end of May.

Milk marketing agreements and licenses to increase or stabilize producers' prices and to set up numerous protective and informational features on the respective markets are being pushed rapidly through the various stages toward completion by the dairy section, says the AAA.

Modifications in the present marketing agreement for the peanut milling industry, involving surplus control for the 1934 crop, in order to assure minimum prices to growers at least as high as those now prevailing, are under consideration by the AAA.

A marketing agreement for the watermelon industry in Florida, Georgia, South Carolina and North Carolina, has been tentatively approved by Secretary Wallace.

"Crop Insurance Features of Agricultural Adjustment Programs" is the title of a pamphlet recently issued by the AAA.

The purchasing power of farm income in the first nine months in which benefit payments were distributed has been 25 percent higher than in the corresponding period of 1932-33, and the farm prices including benefit payments on the domestically consumed portions of the seven commodities originally defined as basic in the Agricultural Adjustment Act had an average exchange value in May 1934 30 percent higher than in May of 1933, and 60 percent higher than in March, 1933, according to L. H. Bean, AAA economic advisor.

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RECENT NEWS RELEASES of the Bureau of Agricultural Economics report a reduction in hog slaughter in the United States and Denmark, increased shipments of pork and lard from principal ports of the United States, a large increase in Canadian exports of bacon to Great Britain, and reduced exports of bacon from Denmark.